Managerial perceptions of global talent management programs within ASEAN subsidiaries of Scandinavian multinational enterprises

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Abstract

Talent Management (TM) is a topic has been considered, despite some resistance, one of the 21st century’s most pressing HRM concerns by practitioners, international organisations and magazines, including the OECD and The Economist. Practitioners, both senior management and HRM specialists, are looking for greater understanding of TM and this makes the topic relevant and worthy of further research. TM is a topic that is young, it has been its own research area for only 20 years and there is thus not a large body of empirical data to support its assumptions. At present, most TM literature is normative, and there are question marks over the generalisability of some of the core concepts that underpin the topic.

Importantly, the body of literature is heavily focused on TM at Head Quarter (HQ) level, assuming that findings on this level are universal and valid at all units and subsidiaries within the Multi-National Enterprise (MNE). There is almost no research specifically looking at TM at subsidiary levels, whether trying to validate if HQ level data is valid also at subsidiary levels or whether the TM reality at subsidiary levels differs substantially from that of HQ. This thesis will focus on subsidiary TM. It will present the views of managers who work directly with TM within a subsidiary of a MNE and will discuss their perceptions and understandings, focusing particularly on challenges that arise when working with a GTM programs designed at HQ level and implemented in different organisational, cultural and social contexts. Further, it will provide a Scandinavian context, something that differs from the, in TM literature, dominating Anglo American context.

This study contributes to TM theory by adding a subsidiary perspective to a body of theory that is based on empirical data derived from HQ level as well as adding to Scandinavian management by presenting a Scandinavian perspective on subsidiary TM. It also highlights differences between dominant theoretical assumptions and the lived realities of managers working with TM at Scandinavian subsidiaries in Asean. It provides empirical data that broaden the understanding of both TM programs usage at MNEs in general and subsidiaries in particular. By presenting a subsidiary managerial view on TM in practice, it is hoped that the findings will add a more holistic understanding of TM practices and processes at both academic and practitioner levels.
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Attestation of authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

Signed  Date 2017-10-15
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# Table of acronyms

- ASEAN – Association of South-East Asian Nations
- AUT – Auckland University of Technology
- CHQ – Corporate Head Quarters
- GTM – Global Talent Management
- HCN – Host Country National
- HRM – Human Resource Management
- HQ – Head Quarters
- IHRM – International Human Resource Management
- KPI – Key Performance Indicator
- MNE – Multi-National Enterprise
- PCN – Parent Country National
- RHQ – Regional Head Quarters
- TM – Talent Management
- VUCA – Volatility, Uncertainty, Complexity, Ambiguity
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Gäjhtoe! Giitu!
Chapter 1: Introduction

1.1 Introduction

This study explores the perception of Talent Management (TM) and Global Talent Management (GTM) of senior managers working for subsidiaries of Scandinavian Multi-National Enterprises (MNE) in South East Asia (Asean). The exploration of this phenomenon provides a better understanding of how GTM programs are implemented across an entire MNE and not just at HQ level. Investigating the perceptions and understandings of subsidiary managers, the persons in charge of the operationalised GTM program within MNEs, is crucial to understanding how GTM programs can help MNE obtain a competitive advantage through its investments in its Human Resources (HR). Yet, there is little present TM literature that offers such perspectives.

Most TM research of today is also normative and written with the perspectives provided at corporate headquarter (CHQ). This research provides an understanding of the components and HR functions that are included within GTM programs and it provides suggestions for how to best structure these. But without empirical evidence exploring how these components and HR functions are operationalised, TM research lacks an understanding of how the theoretical assumptions are employed, perceived and experienced by practitioners within MNEs. This thesis will provide empirical data on the usage of GTM programs at subsidiary level and how these programs are implemented. 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.

This research will collect its data from Scandinavian TM practitioners working in Asean. The choice of Scandinavian practitioners is deliberate and aims to provide empirical research outside the dominating literature context, the Anglo-American understanding of TM. This will broaden the empirical base by indicating how GTM programs are implemented at subsidiary level in a different cultural and institutional context. 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

My own experience with TM, working for numerous MNEs in several different countries, has shaped this study. It guided the choice of research paradigm as well as the research method. In HRM and TM studies, researchers have argued that cultural and social contexts influence people’s values, views and interpretations of actions and concepts. Thus, the thesis focuses on what perceptions and experiences employees have in relation to GTM work at subsidiary level. How they perceive, define and interpret the basic concepts, what they see as the main challenges and how they, from their specific context, work with the programs. Since this research considers different individual experiences, understandings and realities in relation to GTM programs at a subsidiary level, I adopt an interpretivist, subjectivist stance. This, I believe, allows for a better and deeper understanding of the phenomena of the study.

1.2 Background to this research

In 1997, a group of McKinsey consultants published a report that highlighted a shortage of talent for international companies and the consequences this had on their growth. They called it “the war for talent”. This report, “The war for talent”, is often stated to be the beginning of TM as its own research field (Axelrod et al., 2002; Björkman et al., 2007, Collings & Mellahi, 2009; Schuler et al., 2011a). TM is a field that has generated a lot of interest ever since and not just from academic circles but also from practitioners (Axelrod et al., 2002; Chambers et al., 1998; Collings & Mellahi, 2009). After the publication of the “war for talent” an emphasis on strategic TM and global workforce management became a much researched and discussed topic (Ahlvik et al., 2016; Collings & Mellahi, 2009; Schuler et al., 2011a).

TM is a topic that focuses on strategies that help an MNE create a strategic competitive advantage through the most efficient deployment of its human capital. Collings & Mellahi (2009) said that the initial push for TM research came from practitioners who saw that, in an era of globalisation and increased competition, organisations recognised that the knowledge, skills and abilities of their employees was a source for competitive advantage. The HR functions primarily identified to address this were talent identification, selection,
development and retention (Axelrod et al., 2002; Collings & Mellahi, 2009, Lewis & Heckman, 2006; Michaels et al., 2001; Schuler et al., 2011a; Stahl et al., 2012). Academics agreed, and it is today recognised that talent within an organisation can represent a competitive advantage and that the processes organisations use to achieve this competitive advantage is an area that requires further study and further in-depth understanding (Collings & Mellahi, 2009; Farndale et al., 2010b; Schuler et al., 2011a).

The growth of TM has been helped by the advent of current intense globalisation trends. As MNEs have expanded their corporate footprints, achieving scale and seeking out new international markets, there has been an increased focus on how to manage people across cultural boundaries and geographical borders. And with globalisation comes global workforces and TM turns into GTM. The focus on GTM has increased since internationalisation is no longer restricted to a few MNEs but is an ongoing concern for many small- to medium-sized enterprises, academic institutions and international joint ventures (Björkman et al., 2013; Brewster & Scullion, 1997; Child & Faulkner, 1998; Cyr & Schneider, 1997; Schuler et al., 2011b). Global workforces create new challenges for GTM programs in regard to oversights and implementation at the subsidiary level of an MNE. The ability to achieve the full potential, across borders and continents, of its people depends on the individual decisions and actions taken by managers within the subsidiaries. Yet, while research has been undertaken on the TM program and its possible outcomes, there is a lack of data on the implementation of GTM programs at subsidiary levels and a lack of understanding of what role the individual managers play in regard to the implementation of the GTM program (Ahlvik et al., 2016; Björkman et al., 2013; Hellqvist, 2012; Lewis & Heckman, 2006; Meyers et al., 2013; Stahl et al., 2012; Tariq & Schuler, 2010).

The need for MNE to create an environment where actions and decisions are in line with MNE corporate culture and establish a common approach to achieve competitive advantage has become a key task in global companies (Scullion & Collings, 2011). GTM programs are seen as a solution. They are systematically focused on global TM initiatives and are not only helpful in selecting, identifying, developing and rewarding employees, but can create a common approach to corporate values and an opportunity to measure initiatives implemented across countries and continents. One commonly, using a best practice approach to TM, stated purpose of a GTM program is to be a standardising, repeatable tool, providing clear measurements and comparative opportunities across the
entire MNE (Al-Ariss et al., 2014; Lewis & Heckman, 2006). The assumption is that, if the GTM program is employed identically, it will provide the MNE with a competitive advantage since it ensures that all parts of the MNE work with the same goals and thus no talent is left undeveloped. Despite this, several studies (Beamond et al., 2016; Mäkelä et al., 2010; Tarique & Schuler, 2010) have found that there is not enough empirical data discussing how GTM programs are implemented in subsidiaries, making it difficult to draw wider conclusions on their usage and efficiency. One reason for this paucity of data could be that GTM programs are a relatively new HRM tool. Early adaptors introduced them about 15 years ago, but the majority of MNEs have only employed them for about 5-10 years allowing researchers little time to empirically investigate the GTM programs at all levels of the MNE.

The present body of TM literature instead discusses and evaluates GTM programs primarily based on research conducted at HQ level or based on an HQ point of view, and often in specific cultural, social and institutional contexts (Al-Ariss et al., 2014; Björkman et al., 2013; Lewis & Heckman, 2006; Meyers et al., 2013; Stahl et al., 2012; Tarique & Schuler, 2010). There is also an agreement that TM research needs further empirical data to advance the understanding of core concepts such as talent identification, talent selection, talent development and talent retention (Al-Ariss et al., 2014; Chambers et al., 1998; Collings & Mellahi, 2009; Dries, 2013; Mäkelä et al., 2010; Stahl et al., 2012; Tarique & Schuler, 2010). A common suggestion for future research is, therefore, that further research on TM is conducted at subsidiary level (Björkman et al., 2013; Lewis & Heckman, 2006; Meyers & van Woerkom, 2014; Mäkelä et al., 2010; Stahl et al., 2012; Tarique & Schuler, 2010). It is suggested that such research is best undertaken on a micro level in regard to GTM programs, where the perceptions of those involved in decision-making is investigated. The research that has taken place at subsidiary level tends to be in the form of anecdotal evidence and case studies (Meyers & van Woerkom, 2014; Mäkelä et al., 2010; Sparrow et al., 2013; Stahl et al., 2012). This research intends to focus solely on GTM programs at subsidiary level, aiming to provide empirical data that will advance the knowledge of GTM programs and their usage at MNE.
1.3 Research objectives

The main aim of this research is to present an understanding of how management of TM programs is undertaken at subsidiaries of Scandinavian MNEs in Asean. It will focus on how managers experience, perceive and interpret the usage of GTM programs and the GTM programs’ core definitions, practices and processes. Thus, I aim to explore how participants interpret both the specific phenomena, and what antecedents, perceptions and interpretations they attach to them. To do so, the following objectives are pursued:

1. How is talent and talent management perceived by managers working for Scandinavian subsidiaries in Asean and how do those perceptions align with TM literature?
2. How do managers working for Scandinavian subsidiaries employ their GTM programs to help identify, select and develop talent in Asean?
3. How do managers of Scandinavian subsidiaries in Asean attempt to overcome perceived challenges of their GTM programs and how do those perceptions align with TM literature?

1.4 The research approach

Considering the complexity of attempting to study Scandinavian managers’ lived experiences and perceptions of GTM programs, this study lends itself to qualitative methodologies. Attempting to understand perceptions and lived experiences, something needed to answer the research objectives, requires an understanding and interpretation of the lived, multiple experiences of the managers and this is something that is more suitable to the qualitative approach since it allows the researcher to:

“hone in on the right issues and do it in a way to add knowledge to the field”
(Von Glinow et al., 2002, p. 133)

When exploring perceptions and understandings of participants’ experiences of working with their organisation’s GTM program there is a need to interpret and understand the core meanings of these lived experiences. For this to take place, an interpretative approach is considered appropriate since it helps capture the essences and the meanings of the experiences shared by the participants. The interpretation of lived experiences is well
suited to adhere to the approach taken by Morse and Richards, (2002, p. 44) who suggest that a researcher should question and interpret the meaning of the lived experience of the participant:

“Experience is considered to be an individual’s perceptions of his or her presence in the world at the moment when things, truths or values are constituted”

With that in mind the research will be undertaken using a phenomenological approach. In phenomenology, there are two distinct approaches that a researcher can choose. Either the descriptive phenomenological approach, where the researcher brackets all prior knowledge and maintains an objective stance in presenting the essential features of phenomena, or the interpretative phenomenological approach, where the researcher assigns meaning to the phenomenon as he / she understands it. This helps uncover the meanings of the words of participants. Using this approach, the researcher brings his own subjectivity, bias and experiences to interpret the situation, the experiences and context being studied (Maggs-Rapport, 2000). This researcher has worked for 15 years with TM and believes that he will not be able to bracket away those experiences. He also believes that his own understanding of the phenomenon, the context and the experiences will further help uncover its full meaning. Thus, interpretative phenomenology will be the approach undertaken.

The number of participants for this study was not set from the beginning, instead interviews continued until no further detail or lived experiences emerged and point of saturation was reached. In this case the point of saturation was at 15 interviews but since this was not known, interviewing continued until 22 had been completed, ensuring that no new themes emerged, just more of the same themes. It is worth noting that a study compromising 22 interviews adheres to Cresswell (1998) who recommends five to 25 interviews, Morse (1995) who recommends a minimum of six interviews and Charmaz (2006), who states that for smaller projects a sample size of 25 should be sufficient. In addition, Jette et al. (2003) suggest that, if the researcher is an expert on the topic, the number of participants needed before an expected point of saturation is reached is less than if the researcher is a novice or inexperienced within the research field. Having worked with the topic researched for many years this researcher can be considered a topic expert, thus reducing the overall number of interviews needed.
All interviewed participants were responsible for the HRM work at subsidiaries of Scandinavian MNEs in Asean. The majority were based in Singapore, but the area they covered was larger, often incorporating Asean and Oceania and in some cases also India. Choosing to interview, first hand, helps with the authenticity and rigour of the study. Lincoln & Guba (1985, p. 58) suggests:

“the authenticity of a qualitative interpretative design better “express multiple, socially constructed and often conflicting realities”

This interpretative approach aligns with the research philosophical assumptions, that individual experiences are subjective in nature and require an understanding that realities are often multiple. Individuals may view their experiences using different lenses, cultural and institutional, and in respect of both their employees and their organisation. The experience of working in a multicultural organisation where perceptions are dynamic as experiences are collected and reflected upon requires the researcher to be able to not just understand the experience but to be part of the interpretation of it.

1.5 Significance of the study

The need for further understanding of the GTM programs and their employment across MNEs is something that is considered a priority not just by researchers but also by practitioners. A study by the Chartered Institute of Personnel and Development (CIPD) found that only 6% of participating participants considered their TM functions to be effective (CIPD, 2012). Many organisations struggle to construct and implement a successful GTM program. Some practitioners go as far as calling it the greatest challenge facing HR practitioners in the 21st century.

For example, The Boston Consulting Group, World Federation of People Management Associations, the Economist Intelligence Unit, and The Chartered Institute of Personnel and Development (CIPD) have all suggested that TM is the most pressing HRM concern for organisations in the coming decade (see Sparrow et al., 2013). The magazine Chief Executive surveyed 300 companies and found that finding “the right amount of leaders” was ranked as their biggest challenge (Stahl et al., 2012). This has ensured that development, implementation and refinement of TM / GTM programs has, over the last
one or two decades, become a core task for MNE HRM practitioners and a topic that is generating a lot of practitioner interest.

For researchers, there has been an effort to keep up with practitioner interest and provide empirical data and findings. However, Dries (2013: p. 273) noted that out of 7,000 articles on TM “only around 100 of them” were written in academic journals while Stahl et al. (2012), found 42 academic publications in their literature review of GTM programs. This shows that there is a discrepancy between practitioner interest in the area and research undertaken. There is thus a need to look further at GTM programs and in particular how they are employed and worked with at subsidiary level. This study will do just that by investigating Scandinavian subsidiary managers’ perception of talent, TM and GTM, providing empirical data in an area of TM where there presently is a paucity of such data. The findings of the research are aimed at contributing theoretically to the existing TM and Scandinavian management literature. In brief, the first contribution is intended to be in regard to the perception of talent, TM and GTM programs by practitioners at subsidiary level. Their perceptions of the TM policies and GTM programs and what their main challenges are will shed valuable light on how TM is functioning at this level. Presently, the TM literature is a mainly normative theoretical body of literature where findings tend to be limited to HQ level. Rowley & Benson (2002, p. 90) state:

“IHRM needs to be better grounded to take account of ‘lower level’ issues and practices, because this is where policies and practices are implemented and mediated and where possible constraints may appear”

It is also assumed that this study will add to Scandinavian management literature in particular Scandinavian IHRM policies and practices. At present, little is known about Scandinavian TM and Scandinavian subsidiary managers’ perceptions, implementation and experiences of their GTM programs something this study will shed light on. The implications of this study aim to be valuable for any MNE who constructs and refines their TM strategies and for those who works with GTM programs, particularly in Asean.

1.6 Structure of the thesis

This study consists of seven chapters. The structure follows an established model of presenting doctoral work based on the suggestions by Perry (1998).
Chapter 1 – This chapter, the first chapter, is the introduction and it discusses the background of the research as well as introducing the research questions and the research philosophy. Furthermore, the research is justified and a personal reflection of the interest leading to the study is presented. This is followed by key terms that are defined and some delimitations of the scope of the research.

Chapter 2 – This chapter looks at TM literature. It firstly discusses the meanings of core relevant terms such as talent and TM. It then discusses tensions around talent and perceptions to GTM. The literature review then discusses the TM program, its core functions and how they are employed.

Chapter 3 – This chapter describes the contexts our participants live and work within. It discusses what Scandinavia is, what the characteristics of Scandinavian management are and compare Scandinavian management with that of Asean. This is a descriptive – not an analytical – presentation of the contexts shaping the study.

Chapter 4 – This chapter provides an understanding of the philosophical assumptions underpinning the study and a detailed discussion of the study design and methodology applied. A substantial discussion is dedicated to explaining and justifying the interpretative phenomenological methodology employed to answer the research questions. This chapter also describes the process of sample selection, data collection, analysis and interpretation.

Chapter 5 – This chapter presents the data findings in accordance with the methods outlined in Chapter 3. Key emerging themes are discussed, supported by relevant quotes and framed according to the three research questions.

Chapter 6 – This chapter identifies and discuss the main findings. It integrates them with the literature review and draws conclusions and discusses the implications of this study. The main themes are distilled to the key findings that are the outcome of the research.

Chapter 7 – This chapter offers some concluding thoughts and a succinct discussion on how the findings fit with literature themes and the contribution made by the findings.
There are practical implications as well as theoretical implications and, finally, some future research is recommended.

1.7 Personal experiences shaping the study

My previous work as a management consultant specialising in IHRM and later as an HR Manager working for European MNEs in Asia sparked my interest in the topic. Aiming to find out more, I searched for help and answers but couldn’t find any in the present body of literature. This sparked my curiosity and willingness to undertake a research project. This journey aligns with Denzin (1998, p. 76) who suggests that the choice of topic is a “highly personal decision” that is shaped by interests and experiences.

Living and working in Asean and Oceania as a European expatriate focused on IHRM has shaped my understanding of the world around me, what I see and how I relate to it. The contexts and realities I meet are different and things assumed to be universal are often not universal but very much localised. This has meant that substantial reflection has had to be undertaken on my part. Questioning what I am working with and how this work is best carried out in various contexts. This reflection on talent, its background, education and learning styles, its development and the strategies used to select and identify it has been a source of both great discovery but also frustration. Having grown up in Europe, with Scandinavian values and a Scandinavian family, my understanding of Scandinavian management approaches comes naturally. However, when I worked in Asia values and contexts differed and, after having been through the cultural adjustment period, I allowed myself to be open towards a new culture and context and new ways of thinking and doing things.

Based on my experience, I am a firm believer in GTM programs and believe that they offer substantial rewards for MNEs. But, like all good tools, they need to be adjusted and I felt that sometimes we didn’t know how to apply a GTM program in a different context. To present a simple example: almost all MNEs have, as part of a talent profile, a requirement that talent must speak an absolute minimum of two, preferably, three languages. The justification being that if someone is interested in an international career they will have ensured that they have learned foreign languages. Language skills indicate that the person is keen on understanding other cultures and contexts. However, when a practitioner applies this in an Anglo-American context (for example Australia and NZ –
two countries usually handled by a regional HQ in Singapore) this would reduce the talent pool substantially due to the educational contexts in those countries where there is little emphasis on graduates learning two or three languages. In practice, this means that, by adhering to a core trait of the TM program, the organisation misses out on talent, something that goes against the purpose of the program.

These experiences made me curious about GTM programs and made me want to read about how practitioners experience the programs. When I searched for such information I found that to my surprise there was almost nothing to be found. Instead the little TM research that I could find was conducted mainly at HQ level and was either normative or written in a very different context to mine. I felt that there was no information to be found and nothing that spoke to me. This gave me the motivation to conduct my own research and to write this thesis.

1.8 Key terms and definitions

This section introduces definitions of key terms. Definitions adopted by researchers often vary, so key terms are defined to establish positions taken in this study (Perry, 1998). The definitions are written in alphabetical order.

**ASEAN** – Association of South-East Asian Nations. This geographical area is usually overseen by a regional HQ in Singapore. It consists of Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor Leste and Vietnam. Asean has a population of 625 million people and has a combined GDP of $2.4 trillion.

**Culture** – is the collective programming of the mind which distinguishes the members of one group or category of people from another (Hofstede, 1991).

**Global Talent Management** – is defined as:

“GTM is an integrated set of practices, process and organisational values that helps the organisation to identify, select, develop and retain its global human resources allowing it to achieve strategic objectives and meet future business needs world-wide”
**Human Resource Management (HRM)** – It is assumed that HRM is context-dependant and not universal and that it includes policy setting and management of tasks such as recruiting, performance management, training and development, compensation and benefits, and labour relations.

**International Human Resource Management (IHRM)** – HRM in an international cross-cultural context.

**Multinational Enterprise (MNE)** – is defined as:

> “any enterprise that carries out transactions in or between two sovereign entities, operating under a system of decision making that permits influence over resources and capabilities, where the transactions are subject to influence by factors exogenous to the home country environment of the enterprise”

(Sundaram & Black, 1992, p. 733)

**Policy** – is a strategic instruction, presented in written form, that is expected to be followed at all time. The day-to-day usage, operation or implementation of the policy is referred to as practices.

**Scandinavia** – The countries of Denmark, Norway and Sweden.

**Talent** – is defined as:

> “Talent refers to the total of all the experience, individual values, knowledge, skills, and behaviours that a person brings with them and its fit with the organisation in which they work”

**Talent Management** – is defined as:

> “TM is an integrated set of practices, processes and organisational values that helps the organisation to identify, select, develop and retain its human resources allowing it to achieve strategic objectives and meet future business needs”

**Transfer** – is the process of applying and deploying a policy or practice from one place, for example HQ, to another place, for example a subsidiary.
1.9 Delimitations of scope and key assumptions

The scope of this study is limited to the 22 participants working for Scandinavian MNEs that are studied. The data was collected during the latter part of 2016 and the findings are valid for that particular time only. The companies studied have a substantial part of their business outside of Scandinavia and are all present in Asia and Asean. Asean presence, with a regional HQ in Singapore or Malaysia, was chosen because it represents an area of suitable geographic proximity, a high growth area that has seen substantial increases in foreign direct investments and because the area has a diverse degree of economic development and educational levels. The participants represent varying industries and this will allow for an application of the results to more than one industry. Finally, the interviews with the participants are limited to senior management employees, such as General Manager, Regional Manager and Regional HR Manager, and all of them have ownership/management control of the GTM program at their respective subsidiary.

At the beginning of the research project, when the research questions were formed, the experience of the researcher led him to make specific assumptions about the phenomenon under study. One such assumption is that subsidiaries of Scandinavian MNE operating abroad, in this case in Asean, operate differently within GTM programs and face different TM issues than those faced in their home countries (Björkman et al., 2011; Brewster, 2004; Collings et al., 2009; Nankervis, et al., 2002; Stahl et al., 2012). Another assumption is that the country of origin of the MNE / HQ location influences the behaviour of the MNE in another country (Björkman et al., 2011; Collings & Mellahi, 2009; Pudelko & Harzing, 2007; Schuler et al., 2011a; Stahl et al., 2012), thus justifying the need for this study to look at how GTM programs are perceived, worked with and what challenges exist at subsidiary level.

The research questions are constructed with the aim of seeking perceptions, not outcomes. They are constructed with the belief that values, contexts and experiences are shaped by how every unique individual interprets and perceives events in their lives. This has led to the ontological and epistemological assumptions that helped determine the research design and research instrument which are both constructed with the view that there is no one absolute reality, instead there are multiple realities which are subjective, not scientific or absolute. The assumptions are that individual realities are perceived and interpreted by individuals based on their lived experiences. There is also the assumption that lived
experiences can be effectively communicated and shared through the format of an interview and that the researcher then can interpret and understand the realities shared with him. There is also the assumption that the shared realities are understood without the need for the researcher to bracket his experiences away, instead they form part of the analysis and help the researcher interpret the lived realities of the participants. The research is conducted on perceptions of TM and, while the research may also touch on topics such as control functions in the HQ-subsidiary relationship and formal/informal practices within MNEs, these are not deliberately sought after.

1.10 Summary of the chapter

This chapter provides the foundation for this dissertation. The chapter begins with a brief background of the research topic, followed by the research objectives. The theoretical framework, in this case a qualitative interpretative study, is then presented, followed by the significance of the study. Thereafter a brief outline discussing the structure of the study. This is followed by the acknowledgment of the author’s own personal experiences which help shape the study. After them comes definitions of some key terms of particular importance for the study. Finally, the delimitations and scope of the study are stated.
Chapter 2: Literature review

2.1 Introduction

In today’s globalised world we see businesses increasing their geographical footprint and becoming more complex. With complex global businesses come complex global workforces. The complexities of global workforces are no longer restricted to a few MNEs but are today an ongoing concern for most MNEs as well as many small to medium sized enterprises, academic institutions and international joint ventures (Brewster & Scullion. 1997; Child & Faulkner, 1998; Cyr, 1995; Cyr & Schneider, 1997; Schuler et al., 2011a). The need to develop solutions that allow MNEs to manage their global workforces has thus become one of HRM’s greatest challenges (Beechler & Woodward, 2009; Collings & Mellahi, 2009).

One key area of HRM, an area that focuses solely of the management of global workforces, is TM. TM is today its own research area (Dries, 2013; Gallardo-Gallardo et al., 2013; Meyers et al., 2013; Stahl et al., 2012; Tarique & Schuler, 2010). TM is focused on identification, selection, development and retention of talent (employees) and the practices and processes an MNE uses to support this (Björkman et al., 2013; Stahl et al., 2012; Schuler et al., 2011a; Tarique & Schuler, 2010). TM is not a research area with a rich historical tradition, instead it is an area that has developed over the last 10-20 years. Collings and Mellahi (2009) suggest that the original push for research on talent and TM came from practitioners. Practitioners recognised that, in an era of globalisation and increased competition, TM was a way to achieve a strategic competitive advantage (Lepak & Snell, 1999). Researchers concurred and recognised that TM could provide, if undertaken well, an MNE with a strategic competitive advantage. However, there was not enough empirical data that explained how this happened and various researchers realised...
that there was a need to further investigate the phenomenon (Collings & Mellahi, 2009; Farndale, et al., 2010; Schuler et al., 2011a). This led to the development of TM into its own research field.

2.1.1 Chapter objectives

The aim of this chapter is to provide, through a selective use of TM literature, a clearer understanding of the research field, its main concepts, theoretical and empirical tensions and where current research stands. The chapter will begin by looking at some core concepts of specific importance to the conceptual understanding of the research and define and discuss them. The second part of the chapter looks at the philosophical underpinnings that are of specific importance to TM, focusing on who and what that is a talent, highlighting some present tensions surrounding the terms. The third part discusses TM literature. It provides an understanding of TM as its own research field, stressing the relevance of TM for practitioners, as well as providing a literature review where selected works are highlighted and discussed. It then goes on to present the main theoretical lenses used to research TM and the main critique directed towards TM. The fourth part of the chapter discuss TM at subsidiary level. It highlights the lack of empirical data, tensions and then discuss how core TM functions such as talent identification, talent selection and talent development. The chapter ends with a brief summary of the main points.

2.2 TM core concepts and definitions

In 1997, a group of McKinsey consultants published a report which identified that there was a shortage of talent available across the world. The lack of talent was suggested to affect organisational growth and hinder development. This lack of talent, it was argued, led to MNEs focusing on recruitment and retention of a few key talented individuals. Unfortunately, since the number of such talented individuals was limited, these individuals were in high demand and were often approached by competitors making them
particularly difficult to retain. This reality was referred to as the “war for talent”, hence the name of the report. The publication of this report is widely accepted to be the start of TM as its own research field (Axelrod et al., 2002; Chambers et al., 1998; Collings & Mellahi, 2009).

The underpinning thinking suggests that, while talent can always be replaced, developing talent, its skills and competence take considerable time. This means that those companies that don’t have enough of these talented individuals will attempt to poach them from competitors in order to not lose their present competitive advantage. This happens – the argument goes – because developed specialist skills and knowledge cannot be replicated easily and skilled talent is in short supply (Beechler & Woodward, 2009; Scullion et al., 2010; Dries, 2013). This reality is made worse by current demographic factors. It is said that, with the upcoming retirement of the baby-boomer generation, the reliance on younger talent, which is said to more mobile and is assumed to have a less strong emotional contract (psychological contract) with their employers, will make retaining talent even harder (Cato, 2008). With the bond between employer and employee being less stringent mobility among talented employees is expected to increase (Dries, 2013; Tucker et al., 2005). Inkson (2008) describes such behaviour as a consumerist attitude among employees.

Mäkelä et al., (2010) discuss the seriousness of this scenario, since if employers cannot expect employees to stay loyal to them, investments in talent development is unlikely to be beneficial. How much time and money should be invested in employees when there is doubt over their commitment to the employer and how would an employer ensure commitment? Mäkelä et al., (2010) and Ahlvik et al., (2016) notes that the most commonly, in literature, mentioned solution to the problem, increased pay, is not a sustainable solution nor one that permanently address the core concern of labour mobility. More is needed; the needs of the employee are not just met through the pay check. Employers also need to provide non-quantifiable benefits to the employees (for example team spirit and appealing work environments) plus identify and share the values of the employees to retain their human resources (Inkson, 2008; Tarique & Schuler, 2010; Ahlvik et al., 2016).

To address the perceived mobility of talented individuals, two separate schools of thought have arisen. The first focus on identifying and attracting high potentials, talent. It believes
that talent is limited in numbers and that competition is focused on a few select individuals. Further, the assumption is that as competition for talent grows more intense, only those employers that provide the right compensation and benefits package, the right organisational values and the right individual development opportunities will be able to attract enough key talent to stay competitive (Gallardo-Gallardo & Thunnissen, 2016; Inkson, 2008; Tarique & Schuler, 2010). The second focus on instead identifying individuals who share the values of the organisation and developing them. It states that there is a need to instead of recruiting already existing talent from competitors develop own internal talent. They assume that all individuals are talented and organisations needs to align and develop its present resources to stay competitive (Gallardo-Gallardo & Thunnissen, 2016; Mäkelä et al., 2010; Tarique & Schuler 2010). The majority of literature assume the first position but there is not enough empirical data to determine whether one or the other or both positions are correct (Gallardo-Gallardo & Thunnissen, 2016).

Both schools of thought refer to something called the organisation’s talent pools (Lewis & Heckman, 2006; Tarique & Schuler, 2010). These talent pools are the suitable, skilled people who are available to be chosen to do a particular type of job. They are either found within the organisation or recruited from outside. This research will discuss these talent pools, who they are, how they are deemed to be a talent and what characteristics that talent takes. It will also describe how talent is identified, selected, developed, retained and rewarded and what positions they are expected to fill (Stahl et al, 2012). This particular research will look at this from the perspective of the people in charge of GTM at subsidiary level.

2.2.1 Definitions of talent

First, we need to understand what talent is. There is considerable ambiguity around talent and TM researchers have not agreed on its definition (Farndale et al, 2010b, Gallardo-Gallardo et al., 2015; Nijs et al., 2014; Scullion & Collings, 2011; Tarique & Schuler, 2010). Looking at the Oxford dictionary (2015), we learn that talent is defined as “natural aptitude or skill” or; “(someone who has) a natural ability to be good at something, especially without being taught”. However, recent research (Dries, 2013; Nijs et al., 2014; Thunnissen et al., 2013) has found that there is rarely any preciseness in the concept of
talent among researchers, instead the meaning of talent differs between publications, researchers and practitioners (Gallardo-Gallardo et al., 2013).

In fact, in most research the meaning of talent is not defined at all. This may be because talent is assumed to be an explicit construct that is taken for granted and does not need to be defined explicitly (Cappelli, 2008; Collings & Mellahi, 2009; Gallardo-Gallardo et al., 2013; O’Reilly & Pfeffer, 2000; Lawler, 2008). While this may be logical, the lack of a clear definition of a core concept such as talent is one of the most common critiques against TM research. It is said that by agreed upon definitions and understandings of core concepts TM researchers would be able to solidify the topic and create some form of measurable framework (Dries, 2013; Gallardo-Gallardo et al., 2013; Meyers et al., 2013; Nijs et al., 2014; Tansley, 2011; Thunnissen et al., 2013). While researchers have attempted to develop suitable definitions of talent, the definitions have varied based on the writer’s own perceptions of what talent is and what theoretical lens they investigate talent from (Dries, 2013; Meyers et al., 2013; Nijs et al., 2014; Thunnissen et al., 2013). In Table 2.1 some examples of definitions of talent are shown, these give an idea of the breadth and quantity of definitions that exists.

*Table 2.1. Definitions of talent in literature (Adapted from Gallardo-Gallardo et al., 2013 p. 21).*

<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Gagné</td>
<td>&quot;... superior mastery of systematically developed abilities or skills&quot; (p. 67)</td>
</tr>
<tr>
<td>2000</td>
<td>Williams</td>
<td>&quot;Regularly demonstrate exceptional ability and achievement either over a range of activities and situations, or within a specialised and narrow field of expertise; consistently indicate high competence in areas of activity that strongly suggest transferable, comparable ability in situations where they have yet to be tested and proved to be highly effective...&quot; (P. 35).</td>
</tr>
<tr>
<td>2001</td>
<td>Michaels, Handfield-Jones, &amp; Axelrod.</td>
<td>&quot;A code for the most effective leaders and managers at all levels who can help a company fulfil its aspirations and drive its performance, managerial talent is some combination of a sharp strategic mind, leadership ability, emotional maturity, communication skills, the ability to attract and inspire other talented people entrepreneurial instincts, functional skills and the ability to deliver results” (p. xiii).</td>
</tr>
<tr>
<td>2001</td>
<td>Buckingham &amp; Vosburgh</td>
<td>&quot;Talent should refer to a person’s recurring patterns of thought, feeling, or behaviour that can be productively applied&quot; (p. 21).</td>
</tr>
<tr>
<td>Year</td>
<td>Author(s)</td>
<td>Definition</td>
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<td>------</td>
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<tr>
<td>2001</td>
<td>Jerico</td>
<td>&quot;The implemented capacity of a committed professional or group of professionals that achieve superior results in a particular environment and organisation&quot; (p. 428).</td>
</tr>
<tr>
<td>2006</td>
<td>Lewis &amp; Heckman</td>
<td>&quot;… is essentially a euphemism for people&quot; (p. 141).</td>
</tr>
<tr>
<td>2006</td>
<td>Tansley, Harris, Stewart &amp; Turner</td>
<td>&quot;Talent can be considered as a complex amalgam of employees’ skills, knowledge, cognitive ability and potential. Employees values and work preferences are also of major importance&quot;. (p. 2).</td>
</tr>
<tr>
<td>2007</td>
<td>Stahl, Björkman, Farndale, Morris, Paauwe, Stiles, Trevor &amp; Wright.</td>
<td>&quot;A select group of employees – those that rank at the top in terms of capability and performance rather than the entire workforce&quot; (p. 4).</td>
</tr>
<tr>
<td>2008</td>
<td>Cheese, Thomas &amp; Craig</td>
<td>&quot;Essentially, talent means the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work&quot; (p. 46).</td>
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<tr>
<td>2010</td>
<td>Silzer &amp; Dowell</td>
<td>&quot;In groups talent can refer to a pool of employees who are exceptional in their skills and abilities in a specific technical area or a competency, or a more general area. And in some cases, the talent, might refer to the entire employee population&quot; (p. 13-14).</td>
</tr>
<tr>
<td>2012</td>
<td>Bethke-Langenegger</td>
<td>&quot;we understand talent to be one of those workers who ensures the competitiveness and future of a company (as a specialist or leader) through his organisational/job specific qualification and knowledge, his social and methodological competencies, and his characteristic attributes such as eager to learn or achievement oriented&quot; (p. 3).</td>
</tr>
<tr>
<td>2012</td>
<td>Ulrich &amp; Smallwood</td>
<td>&quot;Talent = competence (knowledge, skills and values required for todays and tomorrows job; right skills, right place, right job, right time) x commitment (willing to do the job) x contribution (finding meaning and purpose in their job)&quot; (p. 60).</td>
</tr>
<tr>
<td>2014</td>
<td>Nijs, Gallardo-Gallardo, Dries &amp; Sels.</td>
<td>“Talent refers to systematically developed innate abilities of individual that are deployed in activities they like, find important, and in which they want to invest energy. It enables individuals to perform excellently in one or more domains of human functioning, operationalized as performing better than other individuals of the same age or experience, or as performing consistently at their personal best” (p. 3).</td>
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</table>

While there are many attempts to define talent, there is none that has gained acceptance among the TM research community. Looking at the definitions in Table 2.1, one can notice different schools of thoughts. There are those that discuss talent in a comparative perspective focusing on comparative measurements of individual performances allowing an exclusive group of high performers with specific performance or managerial skills to be identified (Bethke-Langenegger, 2012; Michaels et al., 2001; Silzer & Dowell, 2010;
Stahl et al., 2007) or comparative measurements that allow for the identification of specific knowledge, skills or abilities (Gagné, 2000; Jericó, 2001; Silzer & Dowell, 2010; Williams, 2000). There is also another less prevalent view, some see talent as something inclusive, that all people are talent (Lewis & Heckman, 2006) and that all the individual characteristics that an individual brings are their talent (Buckingham & Vosburgh, 2001; Cheese et al., 2008; Tansley et al., 2006).

Having analysed many definitions, I believe that the definition by Cheese et al. (2008) is a good starting point but I suggest that by incorporating elements from Buckingham and Vosburgh (2001) and Tansley et al. (2006) the definition can be improved further. Thus, the definition we propose for talent does not limit talent to a few select employees and it explicitly states what characteristics talent can include, we thus propose that talent is defined as:

“Talent refers to the total of all the experience, individual values, knowledge, skills, and behaviours that a person brings with them and its fit with the organisation in which they work”

2.2.2 Definitions of TM

TM, the research field, has seen a considerable amount of research undertaken on the impact of TM and how it can assist business. However, less focus has been given to the term TM and its meaning (Collings & Mellahi, 2009; Dries, 2013; Meyer et al., 2013). As with talent, few publications offer any formal definition of TM (Dries, 2013; Lewis & Heckman, 2006). This lack of definition of TM, is a problem for researchers since it does not allow for the creation of commonly agreed models and hinders the field from agreeing on the foundations.

The same lack of definition that plagues academia is found among practitioners. Studies that have investigated the definition of TM within MNEs have found that few organisations define the term or place value on a definition (Larsen et al., 1998; Warren, 2006). This may not come as a surprise, practitioners and organisations do not always base processes on defined definitions, finding the creation of exact, valid and reliable definitions to offer little value and instead choosing to assume that there is a shared understanding of what a term means among all the employees of an MNE (Larsen et al., 1998; Warren, 2006).
There is, however, no shortage of suggestions for what TM is and how it should be defined. Most of the definitions are recent and have seen gradual incremental improvements (Aston & Morton, 2005). Table 2.2 shows a list of TM definitions. This is not a complete list but serves as a good example of the available variations and choices.

Table 2.2. Definitions of Talent Management in literature (adapted from Dries, 2013).

<table>
<thead>
<tr>
<th>Year</th>
<th>Author(s)</th>
<th>Definition</th>
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<tbody>
<tr>
<td>2003</td>
<td>Sloan, Hazucha &amp; Van Katwyk</td>
<td>“Managing leadership talent strategically, to put the right person in the right place at the right time” (p. 236).</td>
</tr>
<tr>
<td>2004</td>
<td>Pascal</td>
<td>“TM encompasses managing the supply, demand, and flow of talent through the human capital engine” (p. 9).</td>
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<td>2005</td>
<td>Ashton &amp; Morton</td>
<td>“TM is a strategic and holistic approach to both HR and business planning or a new route to organizational effectiveness. This improves the performance and the potential of people—the talent—who can make a measurable difference to the organization now and in future. And it aspires to yield enhanced performance among all levels in the workforce, thus allowing everyone to reach his/her potential, no matter what that might be” (p. 30).</td>
</tr>
<tr>
<td>2005</td>
<td>Duttagupta</td>
<td>“In the broadest possible terms, TM is the strategic management of the flow of talent through an organization. Its purpose is to assure that a supply of talent is available to align the right people with the right jobs at the right time based on strategic business objectives” (p. 2).</td>
</tr>
<tr>
<td>2006</td>
<td>Warren</td>
<td>“In its broadest sense, the term can be seen as the identification, development, engagement, retention and deployment of talent, although it is often used more narrowly to describe the short- and longer-term resourcing of senior executives and high performers” (p. 26).</td>
</tr>
<tr>
<td>2007</td>
<td>Jerusalim &amp; Hausdorf</td>
<td>“High potential identification and development (also known as TM) refers to the process by which an organization identifies and develops employees who are potentially able to move into leadership roles sometime in the future” (p. 934).</td>
</tr>
<tr>
<td>2007</td>
<td>Stahl, Björkman, Farndale, Morris, Paauwe, Stiles, Trevor &amp; Wright</td>
<td>“The organisations ability to attract, select, develop and retain key employees” (p. 4).</td>
</tr>
<tr>
<td>2008</td>
<td>Cappelli</td>
<td>“At its heart, TM is simply a matter of anticipating the need for human capital and setting out a plan to meet it” (p. 1).</td>
</tr>
<tr>
<td>2009</td>
<td>Collings &amp; Mellahi</td>
<td>“We define strategic TM as activities and processes that involve the systematic identification of key positions which differentially contribute to the organizations sustainable competitive advantage, the development of talent pool of high potentials and high performing incumbents to fill these roles,”</td>
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</table>
and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization” (p. 2).

<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Definition</th>
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<tbody>
<tr>
<td>2010</td>
<td>Davies &amp; Davies</td>
<td>“TM is the systematic attraction, identification, development, engagement/retention and deployment of those individuals with high potential who are of particular value to an organisation” (p. 419).</td>
</tr>
<tr>
<td>2010</td>
<td>Silzer &amp; Dowell</td>
<td>“TM is an integrated set of processes, programs, and cultural norms in an organization designed and implemented to attract, develop, deploy and retain talent to achieve strategic objectives and meet future business needs” (p. 18).</td>
</tr>
<tr>
<td>2012</td>
<td>Vaiman, Scullion &amp; Collings</td>
<td>“Organisational activities that contribute to attracting, identifying, selecting, developing, rewarding and retaining employees so that they can take on important roles within the company” (p. 293).</td>
</tr>
<tr>
<td>2014</td>
<td>Schiemann</td>
<td>“TM is a unique function that integrates all of the activities and responsibilities associated with the management of the talent lifecycle regardless of geography—from attracting and acquiring talent to developing and retaining it” (p. 282).</td>
</tr>
</tbody>
</table>

While the definitions are many, and no agreement on them can be found, certain themes can be identified. There are those that see TM as the anticipation of and placing of human capital in an organisation (Cappelli, 2008; Duttagupta, 2005; Pascal, 2004; Sloan et al., 2003). Others differ and see TM as the ability to identify, attract, retain and develop an exclusive cadre of high potentials (Collings & Mellahi, 2009; Davies & Davies, 2010; Jerusalem & Hausdorf, 2007; Vaiman et al., 2012). There are also those that focus solely on the TM tasks, stating that TM is selection, identification, development and retention of talent within a MNE (Schiemann, 2014; Stahl et al., 2007; Warren, 2006). There are also those that see TM as a holistic approach to development of employees within the MNE culture (Ashton & Morton, 2005; Silzer & Dowell, 2010). In this thesis, the definition used will be a mix of what is proposed by Silzer and Dowell (2010) and Vaiman et al., (2012). We need to incorporate not just the tasks proposed by Stahl et al. (2007), but also discuss the practices, processes, values and norms that shape the TM program. We will thus suggest our own definition of TM and define it as:

“TM is an integrated set of practices, processes and organisational values that helps the organisation to identify, select, develop and retain its human resources allowing it to achieve strategic objectives and meet future business needs”

Having an agreed upon definition of TM that includes both tasks and values should be of particular importance to MNEs since what practitioners perceive as being TM will shape
how they employ the core TM tasks (identification, selection, development and retention) and by using a shared definition across a MNE there is a clear understanding of a core concept across the organisation. There is a belief that if there are no explicit definitions, there is a risk of ambiguousness regarding TM, allowing for discrepancies in how individuals within the same organisation perceive the concept (Larsen et al., 1998; Warren, 2006). This research aims to understand what practitioners deem to be TM and their perceptions of its application.

2.2.3 Definition and discussion of GTM

Moving from TM towards GTM is a natural step. With globalised MNEs the need to leverage synergies from global workforces has become apparent. The usage of GTM programs is one common solution. GTM differs from TM, since GTM focus solely on addressing the management of talent for organisations that compete globally while TM focus on addressing the management of talent, whether local, national, regional or global (Beechler & Woodward, 2009; Collings & Mellahi, 2009; Scullion et al., 2010). GTM can thus be considered solely part of the IHRM field while TM is a subfield of HRM, IHRM or possibly SHRM depending on the theoretical lens you apply when studying the phenomenon (Beechler & Woodward, 2009).

The development of specific strategies and functions that will assist organisations to carry out their TM work on a global scale, GTM, is thus the difference between GTM and TM (Tarique & Schuler, 2010; McDonnell & Collings, 2011). GTM is not different from TM in its core concepts or the HR functions used but instead only through the width and breadth of its context. GTM specifically focuses on varying geographical contexts and multinational environments (Björkman et al., 2013; Meyers & van Woerkom, 2014; Stahl et al., 2012; Tarique & Schuler, 2010). In practice, the development of frameworks, definitions, and the application of theoretical lenses are the same with TM and GTM. Some scholars have gone so far as to suggest that GTM is just a term used for TM by IHRM researchers (McDonnell et al., 2010).

However, while GTM builds on TM literature it is recognised as a specialised area focusing solely on the international aspect of TM (Björkman et al., 2013; McDonnell & Collings, 2011). While having a shared foundation and identical theoretical underpinnings, there are still differences between the two. First, in GTM, the definition
of the term talent is affected by cultural and social context, that talent may be based on the context that the organisation is residing in. This differs from TM where context is not said to be a major influence (McDonnell & Collings, 2011). Second, GTM requires implementation within multiple differing political, organisational and institutional contexts while TM is largely focused on a singular political, organisational and institutional context (McDonnell & Collings, 2011). This leads us to add a definition of GTM that builds on TM but adds to it, specifically commenting on its wider contextual relevance.

“GTM is an integrated set of practices, process and organisational values that helps the organisation to identify, select, develop and retain its global human resources allowing it to achieve strategic objectives and meet future business needs world-wide”

TM can be said to have started as an HQ-centric research area and thus with a domestic focus. As global presence became more important, TM took on a greater international content, aiming to adapt to different localisations across the MNE. This led to GTM which is TM in a global context (Björkman et al., 2013). So, for this study, while the realities of the participants focus on GTM, the foundations of the theories will be discussed using the shared TM and GTM literature.

2.2.4 Definition and scope of Multinationals

Multinationals are a growing phenomenon, they play an increasingly large role in today’s business world and more and more organisations of varying sizes strive to globalise (Beechler & Woodward, 2009; Cappelli, 2008; Collings & Mellahi, 2009; Nankervis et al., 2012;). National, state and municipal leaders often compete to attract multinationals to their country/state/city. Attracting large multinationals helps to increase employment, the tax base and it serves as an economic indicator. Being chosen by a reputable multinational is seen as prestigious.

The notion of “multinational” goes beyond companies working across countries and now also involves organisations working across different cultures, continents and institutional contexts. This creates new challenges for HRM practitioners. It has been identified that there is a need to work systematically when managing HR across continents, countries and cultures (Festing et al., 2013; Stahl et al., 2007; Tarique & Schuler 2010). In GTM
research, it is said that companies strive to gain competitive advantages from the ability to transfer, share and combine capabilities across geographically dispersed units such as subsidiaries or regional HQs (Gupta & Govindarajan, 2000; Doz et al., 2001; Stahl et al., 2007). However, sharing and combining capabilities has become more difficult as companies have grown to cover ever bigger geographical markets and more institutional contexts (Stahl et al., 2007). Control over subsidiaries is harder since they are often far apart and geographically separated from HQ (Cappelli & Keller, 2014; Nankervis et al., 2012).

Organisations with such global footprints are often referred to as Multinational corporations (MNCs) or Multinational enterprises (MNEs) (Christos & Sugden, 2000). This paper will use the term MNE since, while the two terms are often used interchangeably, MNC stand for corporation and does not encompass all the ownership structures of Scandinavian multinationals. Scandinavian MNEs may be fully or partially publicly owned, may be owned by trusts or may be incorporated. The Oxford English dictionary (Oxford dictionary, 2015) states that a corporation is: “a large company or group of companies authorized to act as a single entity and recognized as such in law” while enterprise is said to mean “a business unit; a company or a firm”. To clarify what an MNE is, this paper will use the Sundaram & Black (1992, p. 733) definition:

“... any enterprise that carries out transactions in or between two sovereign entities, operating under a system of decision making that permits influence over resources and capabilities, where the transactions are subject to influence by factors exogenous to the home country environment of the enterprise”

This definition is suitable for clarifying what organisations we discuss when we refer to GTM programs. It also covers all organisational forms and is thus suitable to use for Scandinavian enterprises since they are often not incorporated.

Having defined what an MNE is and why we use the term, it is appropriate to focus on structure and establish what a subsidiary of an MNE is. We have discussed HQ and the level below it is that of the subsidiary. Perlmutter (1969) suggested that an MNE consists of the organisation’s main base, located in the parent country (PC) and that it engages in activities in host countries (HC) through subsidiaries. That explains the difference between the two terms. However, there are many different forms of ownership of subsidiaries and ways to engage in activities in host countries. Some companies can have
a worldwide presence through various shared partnerships with local organisations while other MNEs have minority ownership in subsidiaries or even license away their brands to overseas markets (Chuai et al., 2008). With that said, the most common form of oversees presence is that the MNE owns a local subsidiary.

To bring clarity to the concept of subsidiaries, this research will adhere to the suggestions by Perlmutter (1969), so to be called a MNE, the organisation needs to have control over the following:

1. Formal control over production of its global products and services through affiliates and subsidiaries located in multiple countries.
2. Formal control over policies implemented at its affiliates and subsidiaries.
3. Formal overall responsibility for overall business strategies that relate to production, marketing, finance and HR at its affiliates and subsidiaries.

This highlights the differences between global brands and MNEs and provides clarity over the control that is needed over a subsidiary for it to be part of a MNE. The ability to actively manage and control organisations across geographical boundaries is, thus, needed for us to refer to the organisation as a MNE (Perlmutter, 1969).

There is also a need to discuss how the relationship between HQ and subsidiaries may be shaped. Studies suggest that many MNEs have delegated the headquarters-type responsibilities to subsidiaries and established wholly owned regional headquarters (RHQ) (Ma & Velios, 2010; Rugman & Verbeke, 2008). The relationship discussed is between the HQ and the subsidiary RHQ. Not between HQ and all subsidiaries. It is instead the role of the RHQ to oversee country specific subsidiaries. This strategy for how to work between HQ-RHQ and country subsidiaries have seen considerable research undertaken. While the early discussion focused on standardisation and localisation of all functions across the MNE discussing which strategy that was the most appropriate, Bartlett and Ghoshal (1989) suggested that MNEs do not need to choose between either standardisation or localisation but that both can be achieved simultaneously.
Bartlett and Ghoshal (1989) stated that MNE does not just need to choose between standardisation and localisation but they can achieve both. They developed a model, that allowed them to distinguish multiple forms of internationally operating businesses. This model, their typology, was based on a matrix of four strategies: multi-domestic, global, international and transnational (Bartlett & Ghoshal, 1989). These strategies where then based on two criteria local responsiveness and global integration (See Table 2.3). The various strategies were explained (See Table 2.3) and Bartlett and Ghoshal (1989) suggested that MNEs followed a transnational strategy, allowing them to combine both standardisation and local adaptation.

<table>
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<tr>
<th>LOCAL RESPONSIVENESS</th>
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<td>GLOBAL INTEGRATION</td>
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<td>HIGH</td>
<td>Global Strategy</td>
<td>Transnational Strategy</td>
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Table 2.3 Typology of Multinational Companies (Bartlett & Ghoshal, 1989).

In hindsight, researchers have noted that companies Bartlett and Ghoshal, (1989) highlighted as examples of companies that had chosen transnational organisational strategies for their MNE have since reverted to global organisational structures (Peng, 2014; Verbeke, 2013). There is presently no agreement regarding the merits of the
alternative types of strategy and researchers have stated that empirical evidence in support of any of them is scarce (Harzing, 2000; Leong & Tan, 1993; Verbeke, 2013). Research has thus, since then, continued to look for any clear from of strategy that explains the relationships between HQ and subsidiaries. It has been noted that to investigate it, there is a need to acknowledge not just formal structures but informal structures and mechanisms (Foss, Husted, & Michailova, 2010; Tallman & Chacar, 2011). Many researchers have also argued that organisational culture needs to be considered and that shared or independent such plays an important role in the relationship between HQ and subsidiaries that encourages cooperation and knowledge sharing (Bartlett & Ghoshal, 1996; Chen, Chen, & Ku, 2012; Foss, Husted, & Michailova, 2010; Mudambi, Pedersen, & Andersson, 2014).

2.3 Talent and TM philosophical underpinnings

Corporate Institute of Personnel and Development (CIPD) (2007) noted that, for effective TM, organisations need to understand how they define Talent and TM and then agree on what practices they deem needed to be included in the TM program. Without a clear understanding of what TM is and the practices included, it will be left to individuals to determine who they see as talent, what practices the TM program will employ and, thus, the management of talent would be inconsistent (Cappelli, 2008; Davenport et al., 2010; Martin & Schmidt, 2010; Stahl et al., 2012). The need for HR and/or management to create clarity and transparency regarding who and what talent is important for a TM program to deliver expected outcomes (Davenport et al., 2010; Iles et al., 2010b; Martin & Schmidt, 2010; Nijs et al., 2014).

For an MNE, it is important to have a shared understanding of talent and TM. These two concepts are suggested to be the core of the TM program (Al-Ariss et al., 2014; Iles et al., 2010b; Nankervis et al., 2012; Stahl et al., 2012). Having such a shared understanding
will lead to the MNE utilising a set of consistent practices and shared understandings for recruitment, compensation and benefits, training and development, retention etc. Presently it has been suggested that MNEs lack clear agreed understandings (Al-Ariss et al., 2014). This has led to organisations assuming that talent and TM are understood to be the same concept, same values and same skills by all people within their specific organisation (Carrington, 2004). However, it has been suggested that this is not correct. Instead, the fundamental understanding of talent and TM and the practices employed within a GTM program is said to vary between organisations as well as within organisations and within the same organisation over time (Blass, 2007). This variation within the organisation is of great importance to the explanation of failure or success of a GTM program. Do the entire MNE buy into the fundamental beliefs of the GTM program? There is a need to obtain further empirical data that shows if TM practitioners at subsidiary levels align with their MNE’s core underpinning philosophies of TM and, if so, how this is done. This research will start by understanding what the fundamental underpinning beliefs of the TM program are at subsidiary level are.

2.3.1 Who/What is a talent?

Understanding who is a talent is a fundamental philosophical concern for TM research. Generally, literature refers to two different approaches to who is a talent. Those that assume that talent is exclusive and those that see talent as inclusive (Björkman et al., 2013; Dries, 2013; Meyers & van Woerkom, 2014). This distinction is important since it determines how MNEs work with talent (Björkman et al., 2013; Dries, 2013; Meyers & van Woerkom, 2014). Do they focus on identifying, selecting and developing a few high potentials or do they aim to spread their resources by developing every employee of the organisation? Designers of GTM programs and those that operate GTM programs choose a path and construct tools to identify, select, develop and reward talent based on who they see as being a talent (Ahlvik et al., 2016).
Understanding the underpinning philosophies means that the MNE needs to determine who is a talent. One model that helps explaining this fundamental distinction is shown in Figure 2.1. In the figure, the first axis helps determine if a company has an inclusive or exclusive approach to TM. The second axis, which is an addition by Meyers & van Woerkom, seeks to determine if companies believe that talent is either stable or developable. The positioning on this axis indicates that talent is either innate and not taught (stable) or that talent is developable (talent is an acquired knowledge that can be taught). The axis positioning leads to a different focus within the TM program. 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 (Meyers et al., 2013). This model provides a clue on how basic definitions and assumptions influence the choice and the importance of the respective TM functions within a GTM program. This research will aim to look at this, seeing how these core beliefs shape the TM functions employed by the GTM program.
Gallardo-Gallardo et al. (2013, p. 291) in their often-cited literature review suggest that there are two main variations in regard to who and what that is talent, two main ways to understand talent. Their model (see Figure 2.2), suggests that talent is seen to be both “talent as characteristics of people” and/or “talent as people”.

The discussion of object differentiates between talent as a natural ability and talent as mastery, i.e. taught and perfected through practice (Ashton & Morton, 2005). The discussion of the subject differentiates further by defining talent as inclusive or exclusive. Inclusive being “every employee” and exclusive being “high potentials within a MNE that are identified using specific performance metrics” (Meyers et al., 2013, p. 78). It is important to note that this description support the notions Meyers & Van Woerkom (2014) puts forward by showing that literature defines not just talent as people (leading to a company choosing an exclusive or inclusive approach to TM) but that companies also look at the characteristics of talent. If it is something taught or innate and is it as evident no matter the surrounding environment. This leads to a further discussion about how TM should focus on developing specific skills, developing the right environments to achieve a competitive advantage (“Developable” in Figure 2.1) or focus on identifying these in existing individuals (“Stable” in Figure 2.1).
The dominant understanding of talent assumes exclusivity and that talent is unique. This approach aligns with the underlying assumptions presented in “the war for talent”. The focus is on identifying key individuals, often named as “high potentials” or “A-players” (Axelrod et al., 2002; Boudreau & Ramstad, 2007; Lewis & Heckman, 2006; Michaels et al., 2001). The main assumption in literature 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 some companies spend significant resources to further develop these individuals (Ahlvik et al., 2016; Björkman et al., 2011; Boudreau & Ramstad, 2007; Lewis & Heckman, 2006; Meyers & van Woerkom, 2014). However, there is another way to look at talent, an assumption used much less frequently, that is the assumption of inclusivity.

Figure 2.3: Talent Management pyramid (McKinsey & Co, 2008).

Figure 2.3 shows inclusiveness. The figure suggests that the entire organisation plus indirect employees such as sub-contractors, outsourced staff and suppliers are talents and that TM needs to cater for this. This means that everyone within an organisation is a talent. This view has less support in literature. Only a few researchers have suggested this, and they argue that, to obtain a competitive advantage, there needs to be an assumption that all individuals are talent and managers should focus on identifying and developing all employees. This means that a lot of resources are spent on talent development (Buckingham & Vosburgh, 2001; Cheese et al., 2008).
This research attempts to listen to those whom state that there is a need to obtain further empirical data on the topic of who and what that is a talent (Al-Ariss et al., 2014; Björkman et al., 2011; Meyers & van Woerkom, 2014). While acknowledging that the prevalent assumption in literature is that talent is exclusive and innate, this research would not be surprised to find a different view among Scandinavian practitioners. Our research thus aims to see what the perception of Scandinavian practitioners are. Do they believe talent to be exclusive or inclusive and how does this choice affect their TM practices and processes?

2.3.2 Talent – different meanings?

To investigate TM, we need to start by asking and defining what we mean by talent. The word dates to ancient Greece and derives from the Greek word “talanton”. Talanton was a unit of weight / money (Tansley, 2011). This implied that those who had talent had wealth. Being wealthy meant you were talented. During the time of Jesus Christ and when the gospels were written, we find examples in the New Testament where talent is still referred to as capital. The gospel of Matthew (25: 14-30) mentions a rich man that travels away and when he leaves he provides his servants with talents, talents meaning money (Adamsen, 2014). Moving ahead to medieval Europe we notice that the definition of talent has broadened to mean not just money but also having a natural ability to perform well (Tansley, 2011). To be talented now means that you are someone that can execute instructions. Talent continues to develop as a term when we enter the 17th century where the influence of Christian teaching on the term talent is clear. The meaning of talent changes, from capital and ability to innate skills (Knowles, 2005; Tansley, 2011). Christian teachings suggest that it is the duty of all faithful to work with and on the talents provided to them by God (Hoad, 1996; Knowles, 2005). After the industrial revolution, the term talent moves beyond an individual’s innate skills and it also becomes the person themselves (Knowles, 2005). Tansley, (2011) highlights that this is the first time that talent becomes a subject (characteristic of people) beyond abilities and monetary values. This new meaning of talent as persons was probably influenced by societal changes, from agrarian communities to urban environments where food was not produced but instead bought.

In the modern era, the term talent refers to both characteristics and people. We refer to people as talented as well as having specific abilities, specific characteristics. According
to Nijs et al. (2014), talent is usually an individual who has an innate ability to undertake specific tasks. Gallardo-Gallardo et al. (2013) sees talent through the exclusive lens and focuses on it being an above average ability for either a position or specific skills. We differentiate talent as either a characteristic or the person themselves. Is it skills (that can be mastered) or is it the person that is talented (innate)? This differentiation and discussion of what talent really means forms part of one of the key issues with TM research and, signifying its importance, it is also one of the three most researched areas of TM (Dries, 2013; Lewis & Heckman, 2006; Meyers et al., 2013). This research recognises that talent is individual and the perception of what is talent differs from individual to individual and organisation to organisation and that the assumptions surrounding the concept of talent will influence how organisations work with TM and constructs GTM programs.

To bring some clarity about the perception of talent among subsidiary managers of Scandinavian MNEs in Asean it is important to ask practitioners how they perceive talent and see if their perceptions differ compared to the perceptions of HQ. Doing so provides an understanding of their experiences and perceptions regarding their employment of GTM programs and the choices they make within these. It also helps us understand how they perceive GTM and the contextual influences of their TM work.

2.3.3 Conceptualisation of talent: tensions

Dries (2013) found that there were five main tensions when it came to the definition and meaning of talent. It is important to notice that these tensions are not “either-or” but rather an axis on which organisations or researchers will position themselves assuming a more or less extreme position. The tensions Dries (2013) identified were:

1. Tension between object and subject perspectives of talent,
2. Tension between inclusive and exclusive perspectives of talent,
3. Tension between innate and acquired perspectives of talent,
4. Tension between input and output perspectives of talent and
5. Tension between transferrable and context dependant perspectives of talent.

These tensions are discussed below (See 2.3.3.1 to 2.3.3.5). It is important to note that the tensions are not endpoints where the organisations or individuals choose between either-
or, instead they are continuums where organisations and individuals place themselves somewhere along the line. It is important to recognise that there is likely to be differences on where each individual within an organisation places themselves on these continuums and not just differences between organisations. There can also be an assumption that there are entities within an MNE pulling at different directions. That the MNE is not acting as one but instead using different contexts or interpretations of talent may lead to more than one concurrent position on these continuums. The MNE is also likely to be in different places, over time and between units and contexts. It is likely that there is no one fixed position within the MNE but instead a number of positions, depending on context and understanding of talent.

2.3.3.1 Object and subject perspective of talent

This discussion of who is a talent and how talent can be identified, is something of importance to all HRM practitioners. The object position focuses on identifying characteristics of talented people and, based on these characteristics, determining the skills that should be developed by an organisation to enhance the talent present among its present employees and attempt to maximise their potential (Dries, 2013; Lepak & Snell 1999). The subject position refers to the individual themselves; the focus is on identifying people that are believed to have talent and then attempting to develop these people to achieve their potential (Dries, 2013; Gallardo-Gallardo et al., 2013; Meyers et al., 2013). It can be said that the object position focuses on how to achieve a competitive advantage through tools such as competence development and knowledge management (Farndale et al., 2010a; Lepak & Snell, 2002; Sparrow, 2012). The subject position instead focuses on discussion around who the talent is, are they either so-called high potentials or every team member (Björkman et al., 2013; Meyers et al, 2013)? This results in an organisational strategy that is focused on developing clear succession planning and building talent pools (Björkman et al., 2013; Boudreau & Ramstad, 2005; Mäkelä et al. 2010). In recent times we have seen, according to Dries (2013), more organisations starting to look at the subject side of things.
2.3.3.2 Inclusive and exclusive perspective of talent

The next tension focuses on the specific abilities, the specific talents that exists in individuals. Some argue that individuals are more or less skilful and that it is very important to identify the most skilful individuals. Others argue that everyone is skilful, and it is a matter how you develop the individual that determines their ability (Gallardo-Gallardo, 2013; Meyers et al., 2013). Some research suggests that you can identify and quantify highly skilled individuals, for example, 1 out of 100 or 10 out of 100 and that these are where investments should take place (Larson & Richburg, 2004; Ledford & Kochanski, 2004; Ulrich & Smallwood, 2012). This is the exclusive approach to talent. Others disagree with this and argue that the skill is not a numerical game, instead it is a matter of how individuals are educated and taught skills that will determine their ability (Björkman et al., 2013; Warren, 2006). This is the inclusive approach to talent. Most organisations might not be solely following one of these approaches but instead position themselves somewhere along an axis.

The focus on the talented few has been a strategy pushed by many researchers that aim to combine best practices with so called A-players and thus achieve a strategic competitive advantage (Morton, 2005; Walker & LaRocco, 2002). Huselid & Becker (2011) argue that organisations should maximise allocation of capital to high performers so that they can maximise the organisations competitive advantage. Ledford and Kochanski (2004, p. 217) take this further and suggest that segmentation of individuals into high achievers and others is a must for organisations to stay relevant, they state that:

“Segmentation is fundamental to TM. Successful organisations tend to have a dominant talent segment, while their weaker peers have a bit of everything”

Huselid et al. (2005) look at the key high potentials and combine them with key positions in a company. They suggest that organisations need to be tactical, that they should plan and choose the positions they need to employ high potentials in. Having high potentials, or A-grade employees, as Huselid et al., (2005) calls them, in every senior position makes little economic sense since A-grade employees are a scarce resource that needs to be
positioned in an A-grade position for the MNE to maximise their skills and abilities. By aligning A-grade people with A-grade positions, the organisation can maximise its competitive advantage Huselid et al., (2005) argue. Huselid et al. (2005) suggest that the rest of the employees should be labelled as B or C people. B-people being the “supporting cast” that is needed in any organisation but on which little money needs to be spent. C-people are undesirable employees, Huselid et al. (2005) suggest that an effective effort to “facilitate their exit” should be undertaken.

On the other hand, those researching inclusive organisations believe that by identifying everyone as a talent the motivation of the overall workforce will increase, trust will be developed, since employees know that they are noticed, and organisations will support their development (Clarke & Winkler, 2006). An overall higher job satisfaction and superior team spirit is said to enable inclusive organisations to meet set goals (Clarke & Winkler, 2006; Stahl et al., 2012; Warren 2006). Inclusive organisations tend to focus on the unit’s results and how the full organisation is developing towards goals (Clarke & Winkler, 2006; Warren, 2006). Ashton and Morton (2005) argue that if organisations develop all employees they stand to gain an overall increase in efficiency since it will allow every employee to maximise their potential. Stainton (2005) suggests that all employees should be recognised as talent and it is for management to identify the specific capabilities and potentials within every employee. Likewise, Buckingham and Vosburgh (2001) suggest that talent is inherent in each individual and it is HR’s fundamental work is to increase the performance of every employee of an organisation. For organisations to remain competitive, HR practitioners needs to focus on identifying the unique skills each human can bring to an organisation and develop them to the best of the organisation’s ability.

We can see differing HR practices here. The exclusive approach tends to have quantified performance management tools, while the inclusive tends to use tools such as a 360-degree performance management framework. Inclusive organisations tend to develop every employee or at least provide some opportunities for everyone to develop so that the organisation builds a pool of talented employees through internal promotion and internal development (Boudreau & Ramstad, 2005; Buckingham & Vosburgh, 2011; Clarke & Winkler, 2006). Exclusive organisations believe that it is best to spend on those that are showing results and that this will motivate others to emulate the successful ones or leave the organisation to be replaced with more high achievers. The exclusive will thus use
more external recruitment and put high priority on securing high achiever. Thus, they believe encouraging low achievers to leave the organisation is acceptable (Becker et al., 2005; Becker & Huselid, 2006; Morton, 2005).

2.3.3.3 Innate or acquired perspective of talent

This section discusses whether talent can be taught and what talents individuals are born with. While the innate perspective believes that talent is something individuals are born with, the acquired perspective believes that talent can be taught over time using the right development tools in the right circumstances (Dries, 2013; Meyers et al., 2013). For those that believe in talent as innate there is a serious issue with a shortage of talent but for those that believe that talent is taught through development, experience and through careful planning the perceived shortage is less of a concern since it can be rectified by enhanced training and development activities (Hellqvist, 2012). Tsay and Banaji (2011) presented research that showed that most decision-makers believed that talent was something an individual was born with. This shows the influence of entity theory among decision makers (Tsay & Banaji, 2011; Rattan et al., 2012).

Entity theory proposes that not everyone can be good at everything, some people just are not meant for a specific task or subject. It is a theory often used in practitioner based educational research (Rattan et al., 2012). For those that believe that talent is innate, the focus would be on identifying and selecting the individuals with the right skills and the right behaviour. More resources are, thus, spent on talent selection and identification since it will be what determines the organisation’s ability to create value or competitive advantages (Ashton & Morton, 2005). People who believe that talent is acquired, on the other hand, have different approaches to individuals. They believe that anyone can learn from experience or be taught how to conduct specific tasks, that they can be taught new ways of thinking and acting. This is referred to as incremental theory (Heslin et al., 2005). Organisations that focus on talent as something that can be acquired choose to invest in a talent pool that they gradually develop and teach new tasks. They focus more on talent development than on selection.
2.3.3.4 Input or output perspective of talent

This is an area that is heavily influenced by psychology. Can talent be motivated to perform, focusing on effort, career ambition and firm values? Those that subscribe to the input perspective will seek to motivate employees. Those that subscribe to the output perspective understand reality as one where individuals focus on tangible measurable results, on achievements and on the ability to carry out tasks. This is being driven in part by value. Should organisations look for those individuals who have the right knowledge to perform or those willing, motivated and prepared to work with the company to accomplish future goals? It has been found that most companies that select talent do so based on measurable achievements, thus, they focus on the output (Silzer & Church, 2010); while others tend to believe that if you find the person with the right values they will develop over time and grow with the organisation (Hellqvist, 2012). Over time, some organisations believe that if they can identify the right people who are motivated and focused on creating value then in due course the organisation can teach them all input skills. A famous quote from a practitioner is:

"Give me a person of any race and as long as he/she wants to learn I’ll ensure he/she maximises his/hers potential" (T. Fernandes – CEO Air Asia)

Research has shown that employees who succeed as a result of hard work and are rewarded for it are happier than those with extra special abilities who succeed or do well (Tsay & Banaji, 2011).

2.3.3.5 Transferable dependant or context dependant perspective of talent

Do talented people show their talent no matter what environment or situation they are put in or is talent specific to certain contexts? Transferable perspective means that talent can
be shown no matter what situation a talent is put in while the context related perspective states that talent will only show itself if an individual is put in the right environment where they can succeed. Studies of recruitment have found that high potentials in one firm do not always bring the appropriate specific skills to their next employers nor do they always produce similar results (Groysberg et al., 2008), however, Dineen et al. (2011) showed that even with the assumption of a best fit, recruitment is dependent upon time and environment to succeed. Further studies have shown that it is not only a matter of finding a best fit between an organisation and an individual to enable a person to transfer skills, individuals need the right environment and the right support. There are multiple factors that determine what a continuous best fit is (Granovetter, 1985, Mitchell et al., 2001). Modern examples of talent attempting to transfer their skills have been met with both success and failure. The late Freddie Mercury, pop singer extraordinaire, managed to excel when he sang opera together with acclaimed soprano Montserrat Caballes while a top athlete, Michael Jordan, one of the best basketball players of all time, failed in his attempt to become a professional baseball player. Companies that believe in talent being transferable tend to work more with talent that is brought in from competitors and less with development of in-house talent, while those that believe in talent being latent and in need of the right context spend more time identifying and developing talent.

2.4 TM in literature

TM is a subtopic of the wider HRM field. HRM is an established research area and it is perceived as a research area with clear and defined boundaries and definitions. HRM as a term is not that old though. It was first used by Bakke (1958), and it has been readily used by practitioners since the 1970s (Kaufman, 2016; Legge, 1978; Watson, 1976). While HRM focuses on the organisation, its strategic set up, its stakeholders and how to balance their interests, its use of resources and its alignment of them (Collings & Mellahi, 2009) TM is solely concerned with talent and how it is managed (Collings & Mellahi, 2009; Iles et al., 2010b); talent being employees or potential employees of the
organisation. This much narrower focus can be noticed when we see the definitions. TM is described as:

“The organisation’s ability to attract, select, develop and retain high potential employees” (Stahl et al., 2007, p. 5)

This definition clearly shows how TM is different from HRM practices. HRM practices being defined as:

“All policies, practices, and systems that influence employee’s behaviour, attitudes, and performance” (Noe et al., 2010, p. 4)

To conclude the discussion, TM is a small field within the umbrella we today refer to as HRM (Collings & Mellahi, 2009).

2.4.1 TM a developing research field

Evidence of TM being a relatively new research field exists. Chuai et al. (2008) conducted a literature review where they established that there has been a dramatic increase in work with a focus on TM. They showed that, using the Emerald database, when searching for “TM” it resulted in 0 hits between 1985 and 1990. However, when searching for “TM” using the years 1985 to 2000 they found 109 publications that used the term and from 1985 to 2006 they found 275 publications that used the term. This shows the characteristics of a new research field where substantial interest has been generated recently (Abrahamson, 1996; Adamsky, 2003; Cerdin & Brewster, 2014; Chuai et al., 2008; Iles et al., 2010b; Lewis & Heckman, 2006; Shen & Hall, 2009; Stahl et al., 2007; Stahl et al., 2012; Tarique & Schuler, 2010). TM has, as a research field, seen continued growth and during the last three years some researchers have suggested that the field has reached some degree of stability and maturity in its own right (McDonnell, 2011; Thunnissen & van Arensbergen, 2015). However, Gallardo-Gallardo et al. (2015, p. 275) in their comprehensive literature review of TM state that “empirical research on TM did not ‘take off’ until 2011” (up until which point mostly conceptual and exploratory work had appeared) and only after 2011 has “some” sophistication and diversification in terms of research methods occurred. It is therefore suitable to suggest that TM can be classified as being an embryonic field from 1998 until 2011, and a growing field from 2011 up until today.
2.4.2 Practitioner interest in TM

First, it is important to note the broad interest in TM. TM has, since the publication of “the war for talent”, generated a lot of interest from both academics and practitioners (Cappelli & Keller, 2014; Farndale et al., 2014; Höglund, 2012; Minbaeva & Collings, 2013; Stahl et al., 2012). For example, TM was deemed the most important HR question for the new century by the Boston Consulting group (Tarique & Schuler, 2010). And a study by the Chartered Institute of Personnel and Development (CIPD) found that only 6% of participating respondents considered their TM functions to be effective (CIPD, 2012). In the EU, TM was cited as the most critical HRM area among a sample of 2,304 European executives (see Figure 2.4).

Figure 2.4: The most critical HRM areas of the future (BCG & EAPM, 2013, p. 7)

Despite the importance placed on TM, many organisations struggle to construct and implement a successful TM nationally (TM program) but even more so internationally (GTM program). Some practitioners go as far as calling it the greatest challenge facing HR practitioners in the 21st century (Cappelli, 2008; Mäkelä et al., 2010; Björkman et al., 2013). For example, the magazine Chief Executive surveyed 300 companies and found that finding “the right staff on a global scale” was their biggest challenge (Cappelli & Keller, 2014; Minbaeva & Collings, 2013 and Stahl et al., 2012).

TM is also a field where practitioners have been more active than academics. Dries (2013, p. 273) noted that out of 7000 articles on GTM “only around 100 of them” were written in academic journals. Stahl et al. (2012) found only 42 academic publications in their
literature review of GTM programs. The field can thus be described as driven by the needs of industry practitioners and the solutions need to have practical relevance to a field of practitioners that struggle with a very important HR task. There is thus a real need for academics to further advance the field and generate clear findings that will support the practitioners with a task they deem to be one of the most important and difficult HRM challenges they face.

2.4.3 TM literature review

Since the field of TM is recognised to have started with the McKinsey publication of “the war for talent” it is fitting to discuss what led to this publication and why it meant that we witnessed the beginning of a new research field, namely TM. The publication aimed to provide managers with a guide that would help them manage talent and attract talented employees (Michaels et al., 2001). They surveyed 13,000 US managers with the aim of providing a best practice approach and a link between TM and greater organisational performance. In their publication, they noted that it was vital that leadership at all levels of the organisation supported the talent function and that they believed in TM to provide value for the organisation (Michaels et al., 2001). They also identified a need for the organisation to have what was called “talent mind-set” that is, organisational leaders need to look for talent not just among a specific group of employees but among all employees at every level in the organisation.

It is important to note that talent does not equal managerial talent, instead talent is a much wider term. Michaels et al. (2001) identified talent as individual’s abilities, skills, know-how and innate gifts, and the drive to learn and grow; whilst managerial talent refers to individuals’ strategic, leadership and emotional growth, and their ability to motivate and attract other talented individuals and thus deliver results. This led them to identify four key practices that organisations need to be successful in their TM approach: attraction, development, creating excitement and retention (Michaels et al., 2001). They also pointed out that talent differentiation was a key. They suggested A, B and C employees. Axelrod et al. (2002, p. 80) added to this and suggested that organisations should incorporate a strategy where:
“A-players should be invested in, B-players should be developed and C-players should be ‘managed out’ of the organisation or moved into more suitable positions”

The selection of who among the employees was a talent, who was an A person was, in the early TM research, identical to the person with the highest scores on quantifiable performance management metrics. This allowed individual employees that performed the best on these performance criteria to be labelled high potentials or talent. Companies that used this approach were, for example, Accenture, GE, Enron and Unilever (Stahl et al., 2007).

However, other researchers argued that such identification methods for talent were not replicable nor best practice (Nankervis et al., 2012; Stahl et al., 2012). They argued that these methods overlooked the view of those companies who deliberately choose not to use Key Performance Indicators (KPI) to measure performance. Instead these companies choose to search for a match in values. Examples of such companies were IKEA and later Shell (Stahl et al., 2007). These researchers argued that not all companies find KPIs useful to identify, select and develop talent. They argued that this made the research undertaken difficult to generalise with or use for creation of theoretical frameworks (Collings et al., 2007; Dries, 2013; Stahl et al., 2012; Thunnissen et al., 2013). As not all companies treat TM as quantifiable and, since no longitudinal studies have been undertaken, the field lack empirical data that allows for universally accepted frameworks to be constructed. There is a particular lack of studies and empirical data generated from MNEs that choose a value-based approach to talent selection and identification (Björkman et al., 2013; Stahl et al., 2012).

The early dominance of US based research on TM has meant that questions about the early findings ability to be relevant in different contexts have been asked (Luthans et al., 2006; Mellahi & Collings, 2010). It has been suggested that there is a need to further consider not just the cultural but also the organisational context at both micro and macro levels of TM (Luthans et al., 2006; Mellahi & Collings, 2010; Scullion & Collings, 2011; Tymon et al., 2010). Brewster (2007) argued that most early TM research tended to be prescriptive while assuming that the findings were universal. Brewster (2007) also argued that HRM differs according to cultural, legislative and normative values and suggested that universal findings struggled, had doubtful validity since they didn’t account for the differences described above. While attempting to compare differences between European
and US HRM environments, he noted that even within Europe there are major differences in how the tasks and functions of HRM are carried out. It is thus assumed that this is the same for TM findings and that they differ between US and other contexts for the same reasons.

The universal assumptions are often noted in TM literature, where ethnocentric approaches to best practice TM, using terms such as managing employees “out” as suggested by Axelrod et al., (2002), are prevalent. Such actions may be possible in some institutional contexts but it is not legally possible in many other contexts (Collings & Mellahi, 2009; Hellqvist 2011). The critique towards the perceived US dominance of early TM research prompted calls for greater internationalisation of TM research and for an expansion of its empirical base (Brewster, 2004; Collings et al., 2007; Thunnissen & van Arensbergen, 2015). It is important to note that not just national culture is assumed to be of importance and affect TM programs but also corporate culture. The need to broaden TM and address a perceived lack of relevance outside specific contexts have been recognised by many researchers (Björkman et al., 2013; Collings et al., 2007; Stahl et al., 2012; Thunnissen & van Arensbergen, 2015).

While the early US contextual dominance of fundamental TM concepts and assumptions are still questioned, there is a parallel debate about the understanding of what TM functions, processes and practices are important and should be included in TM and TM programs. During the embryonic stage of TM research three main perspectives on TM were identified (Lewis & Heckman, 2006).

1. TM is identical to HR management (hiring, compensation and benefits, competence development etc.) and is thus a continuation of HRM and should be studied under its umbrella using its existing theoretical approaches and frameworks. TM would be a tool that allows HRM practitioners to carry out specific tasks faster, especially selection and recruitment.

2. TM is a system where first the internal needs of the organisation are analysed, then the required employees are considered, and the talent pool is developed accordingly. There is a need to ensure that all employees are placed in the talent pool and assessed and developed in line with future perceived needs of the company.
3. TM is a function that focuses on employees. It is divided in two parts: one part suggest that all employees are talent and it is the role of the HR practitioners to find what they are talented in, develop it and fit it with the organisation. The other part suggests that specific employees, high potentials, that are deemed talented are identified and receive special training so that they can step into specialist and managerial roles within the company.

The first category mainly focused on painting TM as another word for HRM it struggled to reach much traction since TM continued to grow as its own discipline and eventually it was relegated to be the domain of only a few persistent voices (Beechler & Woodward, 2009; Tarique & Schuler, 2010). The second, which assumed that TM was specifically focused on the talent pool and whim that is included. It was limited in its scope focusing solely of one function within TM, the work with the talent pool. Its contribution to TM is still used. As TM expanded to incorporate more functions the topic became one area within the larger TM umbrella (Hellqvist, 2012; Lewis & Heckman 2009). The third perception, where most of the early academic research on TM focused was an attempt to find associations between TM practices, especially the identification and development of high potentials, and enhanced company performance (Boudreau & Ramstad, 2007; Cappelli, 2008; Huselid et al, 2005). This approach originated from an assumption that improved company performance could be identified, within a relatively short time frame, by a focus on development of high potentials (Brewster, 2007). Research attempting to link specific TM activities to improved company performance have continued to date and has generated significant, often suggested to be universal, findings. However, it has been argued that these findings are not universal, since they are not transferable or generalisable and that the research only applies to one cultural and organisational context and that the findings should only be interpreted in one context (Beechler & Woodward, 2009; Chambers et al., 1998; Hellqvist, 2012; Tarique & Schuler, 2010).

The questioning of the universality of findings led to calls for a broader approach to TM. Stahl et al. (2007) approached their TM research with the aim of providing international, broad empirical data. They, an international collaboration of academics from Europe, Asia, Oceania and North America, added to the empirical base of TM literature when they investigated TM practices at MNE HQs across the world. They sampled a variety of MNEs from different (North American, European and Asian) countries and contexts providing an international and broad base. They then attempted to identify universally
adopted TM best practices. Their results found little support for a link between a focus on high potentials and improved company performance. Instead, they suggested that organisations who combined internal, cultural and strategic fit were those that had achieved most success (Stahl et al., 2007). The link between the three fits (internal, cultural and strategic) and positive outcomes provided a different perspective. They, Stahl et al. (2007), argued that, if a multinational organisation develops a set of uniform practices that are used across the organisation for identifying, selecting, developing and retaining talent and ensures that these practices are based on organisational values and norms and then aligns them to the organisation’s goals and strategies (the three fits), the outcome stood a greater chance of being successful. Their publication was an important contribution to TM since it not only provided empirical evidence from global MNEs but it also pointed to a link between TM and organisational outcomes (Mellahi & Collings, 2010). Their perspective also helped counterbalance the previously heavily US dominated empirical TM research base (Thunnissen & van Arensbergen, 2015).

These findings led to a broadening of the scope of TM research and, while research still struggled with the absence of a clear understanding of what TM was, research developed in three separate directions. One looked at TM from a primarily human capital perspective (Cappelli, 2008) while another looked at TM from the viewpoint that talent is a resource and organisations should focus on working with this resource. A third, looked at TM with the assumption that alignment of TM, the MNE business strategy and its corporate culture is needed and that if this is aligned correctly, TM can help the organisation develop a competitive advantage (Farndale et al., 2010b; Kim, 2003). Collings & Mellahi (2009) added to the TM base by identifying three common themes that was found in most TM research. They suggested that most publications contained these three key themes:

1. A systemic identification of key positions, where specific skills, values and competencies are needed, within the organisation,
2. A development of a talent pool consisting of high performers and/or people that the organisation deems to have potential,
3. A differentiated HR architecture used to facilitate the development of high performers with potential to fill the identified key positions.

These common themes in TM literature, identified by Collings & Mellahi (2009) were said to be based on mainly descriptive and anecdotal evidence. This led to other
researchers suggesting that there was a need to obtain further empirical data from both micro and macro environments as well as developing stringent definitions and theoretically based TM frameworks (Schuler et al., 2011b; Stahl et al., 2012). However, no such stringent definitions have since been agreed upon. With this inability to agree on stringent definitions, it was suggested that further TM research on both micro and macro levels was needed and it was hoped that this would lead to a greater breadth of empirical data expanding the TMs theoretical foundation (Dries, 2013; Schuler et al., 2011b; Stahl et al., 2012; Tarique & Schuler, 2010).

This has led to further primarily macro studies that have produced empirical TM data (Ahlvik et al., 2016). This added empirical data led Cascio & Boudreau, (2016, p. 111) to suggest that there are four perspectives used when TM research is investigated and interpreted. The four perspectives are:

1. As a new term for old and tested HRM practices,
2. Succession-planning practices,
3. Focusing on several strategic core functions that help an organisation achieve a competitive advantage,
4. The management of so called high potentials or specifically talented employees (Al-Ariss et al., 2014; Collings & Mellahi, 2009; Lewis & Heckman, 2006).

This research has taken the position that TM is number three: the core functions that may help an organisation achieve a strategic competitive advantage. This because it supports present TM literature better (Ahlvik et al., 2016; Cascio & Boudreau, 2016). Looking at the other three perspectives, the first has not changed much since it was first mentioned by Lewis & Heckman (2006). It argues that TM is HRM and that there is nothing new to see. There are several issues with this perspective. HRM focuses on the organisation, its strategic set up, its stakeholders and how to balance their interests, its use of resources and its alignment of them (Collings & Mellahi, 2009). TM, however, is solely concerned with talent and how it is managed (Collings & Mellahi, 2009; Iles et al., 2010b, Stahl et al., 2012). This much narrower focus of TM makes TM not just HRM with another name but instead a subtopic within HRM. With this in mind this research does not consider it to be a suitable perspective. Perspective two is focused on succession planning activities. Succession planning activities is a very narrow focus and it has been argued that with
such a narrow focus, core parts of TM, for example retention and performance management struggle to be included (Ahlvik et al., 2016, Stahl et al., 2012; Tarique & Schuler, 2010). Such a limited scope for TM is not one that this research adheres to. Instead it adheres to the belief that TM scope is in “broad” alignment with the model proposed by Stahl et al. (2012), the talent wheel (See Figure 2.5). This model focuses on several core functions that begin with the definition of talent. This research agrees with the approach and that is why the third perspective is what it sees as being TM. There is a fourth perspective, it focuses on the management of specific talented people, often referred to as A-players. However, since literature has shown that this is one view and that there are other views, for example that talent is all employees, it is deemed to be to limit to encompass what TM is about and thus this perspective is not seen as useful by this research.

2.4.4 TM theoretical lenses

Having discussed TM research, it is helpful to note that there are different approaches (theoretical lenses) used to investigate and analyse TM. Gallardo-Gallardo et al. (2015) identified that there were four main theoretical lenses used to study TM:

1. Resource Based View (RBV) lens
2. IHRM lens
3. Employee assessment lens
4. Institutionalist lens

This paper will not set out to choose one specific theoretical lens through which the phenomena are investigated; this does not seem advisable for an exploratory investigation aiming to uncover the lived experiences of TM practitioners. Instead it is acknowledged that presently research is moving in different directions, often based on the authors’ own topic expertise and area of research. With that said, any study that investigates GTM does in its own way take on a lens aligning with those who use an IHRM lens when they study TM and this research is by that definition using an IHRM lens. Below a brief discussion on what each lens means and how it carries differing assumptions in relation to the topic.
2.4.4.1 RBV – focus on high potentials

The most prevalent lens used to study TM, as identified by Gallardo-Gallardo et al., (2015) in their literature review of TM, is the RBV lens. It focuses on the identification of key human capital that, when put in the right position, will enable the organisation to achieve a sustainable competitive advantage (Collings & Mellahi, 2009). RBV equals talent to high value human capital or high potentials (Lepak & Snell, 1999). A high potential is a human resource that is non-replicable, unique to the organisation and is pivotal to the core business (Huselid, 1995; Lepak & Snell, 2002). RBV differentiates between low and high value human capital, where low value human capital is peripheral assets that requires little-to-no investment and who are easily replaced by individuals presently on the labour market, whereas the high potentials are difficult to replace and said to comprise between 5% to 20% of the number of employees within an organisation (Dries, 2013). The notion that there should be high investment in high value human capital is central to RBV since it is how the MNE is assumed to obtain a sustainable competitive position (Huselid & Becker, 2011). There have been several attempts to link high value human capital and organisational performance; that within the TM program there should be a focus on strategies to identify and invest in the identification and development of high value human capital and that doing so can see an improvement in retention rates of “A-players” and help achieve a competitive advantage (Bethke-Langenegger et al., 2011; Collings & Mellahi, 2009; Huselid & Becker, 2011; Höglund, 2012; Ingham, 2007; Iles, 1997). The RBV remains the most used theoretical lens used to research TM, it often draws heavily on SHRM literature.

2.4.4.2 IHRM – focus on practices and processes

The second most prevalent lens used to study TM, as identified by Gallardo-Gallardo et al. (2015) in their literature review of TM, is the IHRM lens. Most IHRM researchers refer to TM as GTM to signify the importance of the global perspective of TM (Björkman et al., 2013). Those using an IHRM lens focus on the TM functions, the practices and processes employed by the MNE and how the MNE manages employees in different contexts (Ahlvik et al., 2016; Farndale et al., 2014; Schuler et al., 2011a). Attempts at identifying and analysing specific TM practices and processes, and investigate how they are affected by cultural, institutional and organisational contexts are common using the IHRM theoretical lens (Ahlvik et al., 2016; Björkman et al., 2013, Schuler et al., 2011b; Tarique & Schuler 2010). IHRM also tends to discuss expatriation, the relationship
between CHQ and subsidiaries, and how the organisation implements its GTM programs (Stahl et al., 2012; Tarique & Schuler, 2010). There have been several IHRM inspired TM publications that focus on emerging markets, among them Beamond et al., 2016; Farndale et al., 2010b; Iles et al., 2010a, McDonnell et al., 2010; Stehle and Ehrwe, 2005. Others have looked at the identification of talent across MNEs and how the differences in contexts affect this (Mäkelä et al., 2010).

2.4.4.3 Employee assessment – focus on identification and selection

The third most prevalent lens used to study TM, as identified by Gallardo-Gallardo et al. (2015) in their literature review of TM, is the employee assessment lens. Here, there is a focus on identification of a specific kind of employee, e.g., a future leader, a specialist, an organisational talent of some kind (Church, 2013). There is an attempt to find valid and reliable methods that can identify and select talent. The methods used to do this should ensure that talent is identified among all potential employees (Nijs et al., 2014). McDonnell et al. (2011) found that this lens focuses on identification of different talent types. They argued that different methods are used to identify technical talent, managerial talent, etc. and thus they saw a difference within the employees based on specific identified skills. This has been of specific interest to those focusing on GTM. This lens has been of specific interest to those that focus on GTM since it has been suggested that identification of Host Country Nationals (HCN) is difficult due to cultural distance, homophily and the lack of candidate networks (Stahl et al., 2012). There has also been a discussion showing that cultural acceptance of HCN is said to be more difficult due to cultural distance between them and the context in which they live.

2.4.4.4 Institutionalist – focus on institutions

The fourth most prevalent lens used to study TM, as identified by Gallardo-Gallardo et al. (2015) in their literature review of TM, is institutionalism. This field focuses on the cognitive and normative impacts that institutions have on MNEs and how these make MNEs adapt and align their TM practices and functions (Thunnissen et al., 2013). It also looks at how institutional impacts shape the practices of the employees of an organisation (Tarique & Schuler, 2010). The local standards and routines, the local external sources of power (through government and networks), and the reception of TM practices and functions among employees within a defined geographical and cultural context can all be analysed using the institutional framework (Sidani & Al-Ariess, 2014). Recent research
has highlighted the distance between CHQ and subsidiaries, and thus the lack of understanding of the contexts in which they operate and has suggested that such distance can impede TM practices (Mellahi & Collings, 2010; Sparrow et al., 2013). An example of research using this lens is Budhwar & Mellahi (2006) who, while studying HRM in the Middle East, noted that the pressures and influence from stakeholders and institutions drove TM practices towards an isomorphic position. Another study made in France (Boussebaa & Morgan, 2008) showed that the TM practices of a UK company did not fit well with French organisations. The idea that TM should focus on those employees who do best within their positions, a result driven approach, proved not to produce the intended outcomes in France.

2.4.5 Critique of TM

TM as its own topic is still not universally accepted. There are those criticising it, some do it because they believe TM is just for practitioners, some because they argue that it lacks the foundations expected from a topic. There is also critique against the lack of clear and agreed concepts and definitions. However, there are also those that critique the field of TM itself, its purpose and its scope. Some researchers have argued that TM is a fad or a new name for old tested HRM concepts (Abrahamson, 1996; Adamsky, 2003).

The first major criticism against TM suggests that there is no clarity regarding what a talent is and who is a talent (Lewis & Heckman, 2006). The terms talent and TM are deemed ambiguous and lacking any clear definitions (Gallardo-Gallardo et al., 2013; Tansley, 2011). There is a risk that without definitions anyone can define talent and it risks being an empty signifier (Adamsen, 2014). However, most TM researchers do not see this as an issue but rather as something to be expected. They suggest that there should not be one definition for talent, since “talent is not absolute, it is relative and subjective” (Thunnissen et al., 2013, p. 175).

The second criticism against TM suggests that talent and TM do not represent a coherent practice that can be measured since talent and TM are relative, subjective and context specific (Björkman et al., 2007; Hellqvist, 2012). Adamsen, (2014, p. 2) takes this a step further and suggests that both terms are “empty signifiers” that do not consider the subjective bias that influence all TM practices. The notion that you can measure causality or determine specific impact from the usage of a TM program is questioned (Adamsen,
2014; Lewis & Heckman, 2006). Related to this criticism is a discussion that since TM has been invented and defined by businesses and consulting firms, the academic field is trying to find explanations for already set realities (Adamsen, 2014; Al-Ariss et al., 2014; Lewis & Heckman, 2006; Scullion et al., 2010). That little to no leadership, agreed upon boundaries, definitions or frameworks have been presented by the academic community which has instead allowed practitioners to guide the progress of the research topic.

The third major criticism against TM has been that it has been contextually limited in its investigation of core performance metrics, for example its focus on shareholder returns. This is part of a wider concern with TM, its over-reliance on empirical data from one context and worldview, the Anglo-American. This means that there is a need to provide further empirical evidence from MNEs whose responsibilities are not limited to their shareholders but which have a multitude of stakeholders (Schuler & Jackson, 1999). There are concerns that the normative statements often found in many present publications lack the empirical underpinning needed to be seen as generally agreed upon and universally accepted (Aguinis & O’Boyle, 2014).

### 2.5 TM at subsidiary level

While most research on GTM programs has taken place at HQ level and has investigated the functions of GTM or its context, less research has been undertaken on GTM within the context of subsidiaries. This is of interest since it has been suggested that the modern MNE is a complex, coordinated federation of differentiated and semi-autonomous units (Michailova & Mustaffa, 2012; Mudambi et al., 2014). Bartlett and Ghoshal (1989) suggested that the MNE can be seen as internally differentiated networks of units that, while under the same umbrella, act as internally differentiated and goal-disparate units with their own external stakeholder networks. Subsequent research found evidence for varying subsidiary contexts and that subsidiary challenges were individual and solutions needed to reflect this for organisations to achieve the best outcomes (Andersson et al.,
Rugman (2005) thus suggested that, with greater importance placed on the structure of the globalised organisation, more regional HQs should be developed to provide greater understanding of local contexts. These regional HQ were suggested to be located strategically on different continents helping bridge the distance between HQ and subsidiaries allowing subsidiaries to better align their TM to the goals set by HQ (Björkman et al., 2013; Mäkelä et al., 2010). In TM literature, the subsidiary level and its specific challenges have not been researched and instead the absolute majority of GTM research has taken place at CHQ levels, leaving the important subsidiary level to be assumed aligning with HQ. However even at HQ, there has been little research explaining all parts of a TM program, instead most research has focused on specific functions used within a GTM program or attempts at normative advice. This has led to a lack of empirical data, few have investigated the functions of a TM program and whether these are implemented the same way across the MNE (Dries, 2013; Meyers et al., 2013). This research aims to broaden the empirical base by looking at GTM research solely from a subsidiary perspective seeing if the subsidiary adapts the functions in a TM program to better suit local contexts.

In literature, there was a lack of agreement on what that constitutes a TM program. Previous research tended to provide normative assumptions about TM programs or focus on how one particular function (recruitment, performance management, compensation and benefits etc) could be altered so that the MNE would be more likely to achieve strategic competitive advantages. However, since the lack of shared understanding of TM existed the functions that are included in a TM program or how they align with talent philosophical underpinnings saw considerable variation (Stahl et al., 2007; Tarique & Schuler, 2010). This led Stahl et al. (2012), to suggest that a holistic approach to TM was needed. As a result, they produced a model illustrating what a TM program would contain in practice. This was a first attempt at tying together the various parts of TM into an integrated model. They started with the talent definition (core) and added guiding principles (inner ring) and finally TM practices (outer ring). They referred to this model as the TM wheel. It is shown in Figure 2.5.
This wheel is descriptive and made from the perspective of those that design TM or research TM at HQ level. The TM wheel starts by looking at the organisation, its fundamental beliefs regarding TM, what and who is a talent and what is TM. This forms the core of any MNE TM program and it is these fundamental and underpinning assumptions that guide the TM strategies and choices made in regard to the TM functions. The second ring looks at strategy and how to align TM with it, it looks at internal consistency, management involvement, cultural fit and the need to balance local and global needs. These are choices made at HQ level only. They are strategic and ensure that there are guiding strategic principles that influence the direction of the TM plan. The third ring shows the TM functions. These functions are TM practices: identification and selection, training and development, retention of employees, compensation and benefits, performance management, and talent reviews. The specific activities under each function are then planned based on the decision made in the inner wheel. If the core says that talent is exclusive there is greater effort put into selection and identification (recruitment) of so called high potentials, while if the core says TM is inclusive there is a greater effort on training and development. The functions are adapted to the needs in the inner core and the strategic assumptions made in the second ring.
There is some critique against this model. It is seen to be hedging its bets, suggesting that a MNE balances global and local needs. However, it is not explained in detail how that could be done while still maintaining internal consistency. The wheel is also constructed solely from the HQ perspective, not including subsidiaries, instead assuming that there is the organisation, its functions and that they are applied identically to all MNE employees. There is also a lack of a discussion on teams/units and their potential effects on TM.

Despite this, the model is important because it is the first that aligns the definition with the strategic direction and then attempts to link that to specific TM functions. It shows the key link between the philosophical underpinning of talent and TM, the inner core of the TM wheel, and the approach to selection, identification and development of talent that a company takes, the outer circle of the TM wheel (Dries, 2013; Lewis & Heckman, 2006; Von Krogh et al., 2009). While an overall picture on the TM program’s processes – who to select, how to identify talent and what development opportunities should exist – can be found in the literature, there is little empirical knowledge that explains the linkage between the philosophical underpinnings and the choice of TM practices and processes employed within a TM program (Dries 2013; Farndale et al., 2014; Stahl et al, 2012; Tarique & Schuler 2010).

Adding the perspective of a subsidiary, it is important to understand how or if the perceptions and actions of a subsidiary manager, working in a different context, align with the philosophical underpinnings of TM and talent. If the understanding of talent and TM core varies across levels within the MNE then how does this affect the way a subsidiary manager employs TM practices and processes? It has been suggested that a perceived lack of attention to GTM in subsidiaries, especially in emerging economies, may impede the overall MNE TM application (Farndale et al., 2014; Sidani & Al-Ariss, 2014). MNEs achieving alignment of their GTM programs to the overall corporate culture and strategy of the company has been regarded as a tool to achieve control, coherency and a potential corporate advantage (Dries 2013; Stahl et al, 2012; Tarique & Schuler, 2010). The decisions of the major components within a GTM program, its philosophy and what resources and reports are expected to be used tend to be taken at HQ level (Mäkelä et al., 2010). But when we reach subsidiary level and the local managers, do they understand and/or follow all instructions in accordance to the wishes of the HQ? The relationship between CHQ and subsidiaries is discussed in Farndale et al. (2010b) where
they point out that CHQ emphasises four functions that should be included in TM processes and development at local subsidiaries:

1. A policy for how to select, identify, develop and reward local talent,
2. A path to acceptance of corporate culture and values,
3. A plan for internal networks acquisition and
4. A competence development plan.

While this may be something desirable, studies have shown that not all subsidiary managers follow this (Björkman et al., 2013; Festing et al., 2013; Stahl et al., 2012). Organisational context has meant that we have seen organisations that have identified which skills, values and norms are necessary for the organisational future but the practice of this is handled by local managers at subsidiary levels. It is important, therefore, that they agree on and understand the term talent and the GTM program in the same way as CHQ has intended so that the individuals selected, identified and developed can fit into roles and have intended values (Cheese et al., 2008; Gallardo-Gallardo et al., 2013; Miller & Desmarais, 2007). This issue has meant that the operationalisation of talent, the application of TM programs, has been difficult to measure and understand, especially when it occurs across an MNE where local managers may or may not share the same values, norms, culture and legislative system as that of the CHQ.

It has thus been suggested that transferring practices between CHQ and subsidiaries might face difficulties should the understanding of the TM core not be shared by those at HQ level and subsidiary level of the MNE (Kostova, 1999; MacDuffie, 1995). This process of transferring and attempting to replicate practices and processes is referred to as internalisation (Kostova, 1999). This implies that, unless the subsidiary manager or the person responsible for implementation and integration of a practice or process transferred believes in the practice they are unlikely to push for its use and it is thus less likely to have any major impact at subsidiary level (Ferner, 2009). A key concern for GTM programs ability to see a replication of practices and processes at subsidiary level is thus ensuring that the local manager has “bought into” the concepts. For GTM to transfer well across subsidiaries the practices and processes need to be anchored, explained and agreed upon. In short, the internalisation of the practices and processes needs to be achieved for the transfer to be well supported at subsidiary level (Mäkelä et al., 2010; Khilji et al., 2015; Ahlvik & Björkman, 2015).
Despite the importance that subsidiary level adaptation of GTM programs have for the MNE, very little empirical data from GTM research undertaken at subsidiary level exists. The research undertaken has focused on attempting to investigate replication of TM practices and processes at subsidiary level. However, the data is primarily quantitative and uses surveys to collect data. It is not inconceivable that subsidiaries when asked if they have implemented the practices and processes state that they have done so, since admitting not to have done so would suggest that they aren’t doing what is expected of them. The importance of adding methodological plurality, providing rich descriptive data from the subsidiary level has thus been suggested by researchers (Björkman et al., 2013; Collings & Mellahi, 2009; Tarique & Schuler, 2010). This has led to calls for further empirical research attempting to understand the realities of subsidiary GTM with a specific focus on those responsible for GTM programs at subsidiaries (Ahlvik & Björkman, 2015; Morris et al., 2009).

There is thus, an identified need to understand how the GTM program is implemented, perceived and functioning at subsidiary level (Cooke et al., 2014; Khilji et al., 2015; Stahl et al., 2012). It has been suggested that such studies need to be undertaken at both micro and macro level (Khilji et al., 2015; Schuler et al., 2011a; Thunnissen & van Arensbergen, 2015). On the micro level, it is suggested to look at local subsidiaries, examine their practices and perceptions regarding the program, its functions and the talent itself. This will lead to an understanding that can provide further knowledge of how subsidiaries implement and facilitate the GTM programs and what can be done to successfully integrate a GTM program across an MNE. It has been argued that there exists a different environment where global mobility, brain drain and other factors influence the context and development of the TM program making it difficult to centralise it and transfer policies from HQ to subsidiaries (Ahlvik et al., 2016; Beamond et al., 2016; Ingham, 2008; Khilji et al., 2015). On the macro level subsidiary GTM research is suggested to focus on how local governments, local culture and legislation impact the employment of TM programs and practices (Khilji et al., 2015), and how education systems, human resource development planning and cultural contexts affect the employment of GTM programs (Cooke et al., 2014).

This research will focus on the micro level of GTM programs, looking at key TM functions of the outer ring of Stahl et al. (2012) model of TM: talent selection and identification, talent development and talent retention. Here the functions, the tools
employed in the program, are found and while it has been said that core values need to be the same within an organisation’s GTM program, definitions and philosophies, the functions are dependent upon the local subsidiary and the implementing manager. This provides for certain adaptability and localisation of practices (Ahlvik et al., 2016; Mäkelä et al., 2010). This is where the individuals, who implement and practice the GTM, and their perceptions and understandings will influence the practices and processes. It has been noted that there are three functions of GTM that are of particular interest to the GTM practices implemented within subsidiaries, and especially in emergent markets (Dries, 2013).

1. Talent identification
Specific strategies to identify, select and retain talented employees so that they will form part of the extended talent pool that is expected to be ready to handle key organisational functions or positions (Ahlvik et al., 2016; Becker & Huselid, 2006).

2. Talent selection
Talent selection addresses the need for organisations to have a clear strategy regarding the succession planning. The anticipation of work and skills shortages should determine the selection policy, the frequency and the channels used (Stahl et al., 2007).

3. Talent development
TM practices designed to develop and mentor the employee to where their experience and knowledge is such that they can be considered for specific corporate responsibilities. (Dries, 2013; Meyers & van Woerkom, 2014; Meyers et al., 2013).

2.5.1 Talent identification
There have been discussions about what talent identification should focus on. Stahl et al. (2007) suggests that organisations should strive to identify individuals, people with different backgrounds and profiles, and create a pool of these employees, the talent pool, from where they should develop talent. Stahl et al. (2012) added to this by conducting a survey that tried to answer how companies identified talent and what factors contributed to a successful execution of a GTM program. They identified two distinct differences in how organisations identified talent. These two differentiating approaches to talent identification represent two opposites and companies can be said to align with one or the
other. The first approach, used by most companies, are the so-called differentiated approach. The companies with a differentiated approach choose to focus on identifying, both internally and externally, high potentials. These are sometimes even publicly labelled as talents (Mäkelä et al., 2010). High potentials are individuals who score high on tests, KPIs and in performance metric systems. These individuals could expect fast rewards, incentives and attention, and their numbers are relatively few, between 3% - 15% of all employees. Companies often spend a considerable amount of money on them (Swailes, 2013). Their status in the organisation is also increased since they and their colleagues are aware that they have been labelled talent (Mäkelä et al., 2010).

The second, and less used approach to identify talent, is referred to as inclusive (Stahl et al., 2012). It assumes that each individual employee can contribute something to the organisation and that the first task is to find an individual who is a strategic fit with the organisation, a person who shares the organisation’s vision, mission and values. After such individuals have been identified it is the TM program’s task to ensure that the suitable processes are there and the necessary positions are there in order to ensure that these individuals are given the opportunity to excel based upon their strengths. The inclusive approach assumes all employees are talents and create processes that aim to get the most out of every employee. The TM program focus on strategies that develop capabilities in each individual, often using value-based approaches to performance management and competence development (Stahl et al., 2012).

No matter what approach chosen to identify talent there is a need to understand how it is done. The main tools that companies are said to use to identify talent are:

1. Performance management system (this means internal identification). Performance management systems vary from 360 degrees “tools” to numerically based performance scores (Cappelli, 2008).
2. Psychometric testing – using a psychometric test instrument to identify a person’s abilities and values are common in MNEs. This can be used both for internal and external talent (Cappelli, 2008).
3. Assessment centres – these use many tools: scenario based, creativity based and personality tests. These can be administered to both internal and external talent (Cappelli, 2008).
Based on previous research, we can see that companies who used a quantifiable performance management metric are more likely to use a differentiated approach to talent while those that use a value-based approach to performance management are more likely to use an inclusive approach to talent. It has been suggested that the US and most Anglo-American firms are more likely to choose a differentiated approach while Northern European (German, Swiss, Scandinavian) are more likely to choose the inclusive approach. However, this needs more empirical data before it can be accepted as fact (Mäkelä et al., 2010). The people identified tend to be part of the talent pool and to be included in the talent pool is often not based solely on results from any of the three ways to identify talent mentioned above; instead other factors play their part too, such as recommendations and cultural capital, social and organisational capital (Björkman et al., 2013; Hellqvist, 2012). There are also two schools of thought in the literature regarding when talent should be identified:

1. Before joining the organisation (this is done by identifying key talent at competitors, by setting up programs that liaise with university students, by having internships etc.).
2. After joining the organisation (this is when organisations using the tools available identify talents that already work with the organisations and attempt to differentiate them).

In reality, most organisations do not choose either-or but work with identification of talent both before and after they have joined an organisation (Mäkelä et al., 2010).

### 2.5.2 Talent selection

Talent selection is often associated with recruitment. Who is going to be hired or to whom should a specific position be given? According to Stahl et al. (2007) it is time for talent selection to migrate from that of filling vacancies to a position where talent is selected in anticipation of work and skill shortages. This should be done by building networks, at many different levels, professional, academic and through existing employees. There are two schools regarding who should be selected, the persons that are the best on tests or the persons whose values best align with the organisation (McDonnel & Collings, 2011; Mäkelä et al., 2010; Stahl et al., 2007, Stahl et al., 2012). How talent gets selected varies
between organisations. Three characteristics have been observed as playing an important part when it comes to being selected:

1. Cultural distance – This states that the further the identified person is from the decision maker the less likely it is that the person gets selected.

2. Homophily – The similarity of the person under review to that of the decision maker. Similarities do not focus only on looks, they could be race, kinship, education, occupation, values, beliefs, 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 likely he/she is to get selected.

3. Network – the stronger the network (both intra-organisational network and external network) and the more connecting points it has with the decision maker the more likely the person is to be chosen.

Within literature four conjectural assumptions regarding selection of persons are frequently used (Silzer & Church, 2010; Von Krogh et al., 2009), however, none of them has yet been proven or disproven in an empirical study (Iles et al., 2010b; Von 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 that select talent believe that the best way to select a talent is through an interview and that they will intuitively know who the right fit for the organisation will be. 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. Local managers that are free to determine who 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 in with the team and the company culture and then let them know that they are seen as talent. If a good fit is found, it is suggested that success will 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 called Pygmalion effects (Eden, 1984).
The third assumption is the opposite of the second, it suggests that if you tell a person that they have been identified as talent they will stop trying and not perform satisfactorily. 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 in stealth, not formally identifying them as talent (Larsen et al., 1998).

The fourth assumption is that when you hire people, the key is to ensure that the organisation stays focused and that the selected talent does not disrupt organisational performance. Selected talent is not identified, since work is suggested to be a team effort and if you single out and identify individual employees 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 lose interest in the company (Bothner et al., 2011). In this instance, it is better for the manager to label every employee a talent. Shell, for instance, does this and expects it to yield positive results. This is because when every employee is identified as talent an emphasis on development and understanding of individual capabilities is expected. It is also said that this environment, where all individuals have been selected as talent creates a working environment where there is less individual competition and more team effort helping boost productivity (Bothner et al., 2011).

2.5.3 Talent development

Talent Development (TD) has seen changes over the last 20 years. While it previously was focused on investment into skills and knowledge training, it is today assumed that specific skills or knowledge can quickly be replicated. To address this conundrum some organisations has sought to develop conceptual skills and competencies (McCall, 2010). This has led to different approaches of Talent Development (TD). One approach that focus on vocational competences; attributes, skills and knowledge (ASK) and another that focus on soft competences (behavioural and performative) and personal characteristics (Brown & Hesketh, 2004, Tomlinson, 2008). The first focus is on obtaining competence through traditional HR development activities, where investment and development of specific ASK are assumed to assist a company achieve a competitive advantage. The second suggest that competencies are not just hard skills (ASK), competency can be meta-
competence, the ability to understand and conceptualise new learning, or organisation / profession based specific context bound specialist competence (Brown & Tannock, 2009; Larsen, 2012; Tansley et al., 2007). Here, job tasks (specific skills) are to be taught at work, and organisations instead aim to develop the employees’ ability to, for example, interact in teams and problem-solve. This school of thought argues that specialised skills are not enough, instead what’s needed is continuous investment in general knowledge that allows individuals to easily learn specifics when they are needed (Jørgensen, 2004; Nilsson, 2010). It has been argued that the ability to collaborate, to find information and evaluate information importance are skills needed for talent. It has also been suggested that leadership capabilities and the ability to pick up and weigh different opinions among staff and find a suitable way forward (de la Harpe et al., 2000; Harvey, 2005; Van der Heijde & Van der Heijden, 2006). It is thus important to notice that individuals are expected to have broader abilities, a skill to understand not just the function of where they work but a wider array of functions that exist within the organisation, it is hoped that this will lead to the ability to provide oversight and be able to plan tasks (Hesketh, 2000; Nilsson, 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 (Iles et al., 2010a). 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 the outcome would be that of improved organisational performance. It is thus assumed that there is a linear relationship between TD practices and organisational performance (Huselid, 1995). Unlike the best practices approach, the best fit perspective can be said to first consider the internal and external context and adapt the strategy to fit it and focus on aligning the TD practices to organisational strategic goals and let the goals determine which TD practices are most suitable for an organisation (Boxall & Purcell, 2008; Lengnick-Hall et. al., 2009). In the best fit approach, identification of needs is done by detailing skills, values, norms and abilities for each individual and each job / each position (Alvesson & Kärreman, 2007; Söderquist et al., 2010). Positions are created, aligned to and amended to fit the employees, the position must match the individual for it to be 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). It has been argued that no matter what approach an organisation takes, TD practices are becoming a greater need that needs more attention (Ahlvik et al., 2016; Lengnick-Hall et. al., 2009; Wright and Snell, 1998).

To develop talent to meet the practical demands of a position or function presents 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 specific competencies/ capitals. These competencies / capitals mentioned are categorised into four main points capitals (Björkman et al., 2013; Dries, 2013; Farndale et al., 2010b; Li et al., 2007; Lockyer & Scholarios, 2007; Mäkelä et al., 2010; Sparrow, 2012). Below the four capitals are listed:

1. Human capital,
2. Social capital,
3. Political capital and
4. Cultural capital.

Here human capital refers to the combined individual knowledge / competences and the person’s social skills that together become the individual’s ability to effectively produce economic value (Dries, 2013; Farndale et al., 2010a; Mäkelä et al., 2010; Sparrow, 2012). Social capital refers to the combined ability to engage and command resources through the built-up network and membership of social groups, organisations and clubs (Dries, 2013; Li et al., 2007; Sparrow, 2012). Political capital refers to the individual’s reputation for specific skills and knowledge, being known as a person of skills or a person with intangible assets which are good for the group, or to the individual being a topic expert. Political capital is not just skill but also the reputation, being known as a person who gets things done, being approachable and not just being a person with the best skill (Björkman et al., 2013; Dries, 2013; Sparrow, 2012). The final capital, cultural capital, refers to long standing values and norms that have been passed on by generations of people from the same region, company or faith. This passing on will happen tacitly and embed the cultural capital within the organisation’s memory. (Björkman et al., 2013; Dries, 2013; Mäkelä et al., 2010). Prime examples of this are IKEA = keep costs low through any means to save money, Volvo = from design to production the focus should be on safety etc. To develop talent, taking all four of these capitals into account is suggested.
2.6 Summary of the chapter

This chapter has reviewed the literature of TM, identifying some major contributions that help to understand and clarify the area. Key concepts such as talent, TM and GTM have been reviewed and, where there has been a lack of clarity, the chapter has presented tensions in the literature and explained these tensions.

The literature in this chapter will guide the discussion in chapter 6. It will focus on looking at how Scandinavians see talent (inclusive/exclusive) and how they identify, select and develop talent. It will look at the talent development using the four capitals, seeing where development activities are undertaken. While not specifically adding to one specific theoretical lens, GTM is, since it is global, adding empirical data and theory to the IHRM field of TM.

While the topic of TM is extensive and expands across several themes and researchers use different theoretical lenses to investigate it, there are obvious gaps in the literature. In particular, GTM programs and their usage at subsidiary level need greater understanding and empirical data. There is also a need to reduce the dominance of Anglo-American writers and produce data based on the realities of those living and working in emerging countries and different contextual realities. More, given that the vast quantity of research has used quantitative methodology there is a need for more qualitative research, especially research that studies GTM practitioners and what their role is and if and how they influence the program. While this chapter investigated the theoretical foundation of the study, the next chapter will look at the context of the participants of the study, the Scandinavians.
Chapter 3: The research context

3.1 Introduction

The previous chapter discussed selected parts of the TM literature. The primary purpose of this chapter is to provide the context of the research and an understanding of the participants who are contributing to it. Without knowledge of their reality it is difficult to understand and interpret their actions and lived experiences. Their thoughts and beliefs are likely to have been influenced by at least two, in many cases more, separate contexts where they have lived and worked and gained experiences.

It is important to note that this chapter does not aim to analyse the various contexts and cultures, it just seeks to provide a descriptive oversight of the contexts that have shaped the participants. Hofstede’s cultural dimensions are polarising and have been criticised, this critique is discussed further in the chapter (see 3.4.1.6). However, they are used extensively and it was felt that they provide an appropriate descriptive illustration of the participants’ contexts. When researching Scandinavians, a brief introduction of their cultural and institutional backgrounds is needed to understand the lived experiences that the participants share. Understanding this allows the researcher to draw conclusions and interpret the experiences correctly.

Therefore, this chapter will provide an oversight of Scandinavian MNEs, Scandinavian culture and its guiding managerial values. It will also provide a brief introduction to the countries where the participants have been sent to work. The chapter starts with a brief explanation of Scandinavia and its economy, followed by a discussion about Scandinavian culture and Scandinavian managerial values. It finishes with a brief discussion of the context that the participants live and work in.
3.2 Scandinavia

Scandinavia consists of Denmark, Norway and Sweden. These three countries share a history of more than 1,000 years (Selmer 1997; Worm 1997). The term Scandinavia comes from the Scandinavian mountain range that runs through Norway and Sweden. There is often confusion among those external to the region as to the difference between Scandinavia and the Nordic countries. In many cases the term “Nordic countries” is used interchangeably with “Scandinavia”. However, Scandinavia consists of Denmark, Norway and Sweden while the Nordic countries also include Finland and Iceland. The exclusion of Finland from Scandinavia is understandable. Finland has been described as linguistically different (the Finnish language is of Uralic origin, while the Scandinavian languages are of Germanic origin) and to some extent culturally distinguishable from the Scandinavian countries (Bjerke 1999; Grenness, 2003; Schramm-Nielsen et al., 2004). Why Iceland has been excluded from Scandinavia is not clear. It shares language and a culture with its Scandinavian neighbours and it has been speculated that, when the Pan-Scandinavians movement originated, Iceland was small and part of Denmark and thus left out of the descriptions of Scandinavia (Bjerke, 1999).

In Scandinavia, it is easy to identify common behavioural patterns, common shared traits and shared identities, and a sense of values and experiences that are similar. It is also easy to identify minor regional varieties. When such identification can be done within a geographical area and such similarities found, it is considered a region (Katzenstein, 2000). Scandinavia is thus a region and Scandinavia will here be described and discussed as one. However, the regional varieties are taken into consideration and there is no attempt to find an absolute truth about Scandinavia and Scandinavians, instead it is acknowledged that each country and region has unique features in both people, management and its contextual environment.

Shared features of Scandinavia are that the countries are all parliamentary democracies, stable governments and a free education system. The free education system is stated to allow the best student access to the best learning environments helping the competitiveness of the region. The juridical system is based on civil law but one that differs from continental Europe in that it does not include a comprehensive civil code (Bjerke, 1999).
3.2.1 Scandinavia – export economies

Scandinavia has a long history of exports. Scandinavian people, organisations and countries have used trade to provide additional income for centuries. An early example of a Scandinavian trade and also shared identity are the Vikings, an historical identity that all Scandinavians can identify with. While the Vikings may be more known for plundering, they traded all over the then known world. Vikings set up trading spots from the Caspian Sea to the Mediterranean and to North America. Today’s exports are different and the long ships are gone, instead containerships and bulk carriers are utilised. The lack of a large enough market within Scandinavia’s countries own geographical boundaries made the countries focus on exports early on and this spawned an active maritime sector which has been built on international trade and exports originating out of the region.

The products exported differ between the three Scandinavian countries. Traditionally, Sweden’s major export sectors were machinery, paper and pulp, and iron ore; it is a heavily resource-based economy. In 2014, Sweden’s exports earned 136 billion US dollars. Sweden’s engineering sector amounts to more than 50% of its total exports. Telecom, automotive, IT and pharmaceuticals are the other five main export sectors (www.oecd.org/sweden.htm). Denmark’s total exports were 85.3 billion US dollars in 2014 and it is an agrarian based economy that has diversified significantly over the last few decades. In 2016, Denmark's main export sectors were: machinery (23%), chemicals and related products (21%), and agricultural products (19%) (www.oecd.org/Denmark.htm). Norway’s total exports were 112 billion US dollars in 2014. Norway’s is, like Sweden’s, a resource-based economy where oil is the most important resource. Norway’s main export sectors are natural gas (27%), crude oil (24%), machinery and transport equipment (23%), manufactured goods (19%) and Marine agriculture (18%) (www.oecd.org/Norway.htm).

3.2.2 Scandinavian presence in Asean

All three Scandinavian countries are export driven economies. This can be seen by looking at the total share of exports in their GDP. Denmark sees 53% of GDP exported, Norway sees 37% of GDP exported and Sweden sees 45% of GDP exported. Compare this with a world average of 27% of GDP (www.worldbank.org). It is thus logical that there are many Scandinavian companies present in Asean. The Danish Trade Council
(part of the Danish embassy) states that there are over 400 Danish companies working in Asean and that 85% of them have their subsidiary HQ in Singapore or Malaysia (www.singapore.um.dk). Nortrade states that there are over 300 Norwegian companies in Asean and that “most” have their regional HQ in Singapore (www.norwayexports.no). Business Sweden states that there are 600 Swedish companies present and 90% of them have their subsidiary HQ in either Singapore or Malaysia (www.business-sweden.se).

3.3 Scandinavian management

The origin of the term “Scandinavian management” can be traced back to an article written by Hofstede (1982); “Skandinaviskt management i og udenfor Skandinavien” which translates to “Scandinavian management inside and outside of Scandinavia”. This publication led to an interest in Scandinavian management and with this interest came a realisation that the research area needed further refinement of key variables and support from empirical data. This led to growth in Scandinavian management as an active research area. The works by Sjöborg (1986) and Thygesen-Poulsen (1997) played a significant part since they offered an empirical base. Sjöborg (1986) interviewed 100 top Scandinavian managers and analysed their managerial practices. Thygesen-Poulsen (1997) investigated 18 Scandinavian companies looking at managerial tasks and functions. The findings from both researchers identified specific social behaviours and institutional practices that over time have led to a Scandinavian management style. They showed that the social-democratic worldview, with its focus on inclusive societies and political compromises, has resulted in a particular Scandinavian style of management (Thygesen-Poulsen, 1997).

A theme in early Scandinavian management research was comparative studies. The ability to specify what differentiates Scandinavia and other regions would facilitate a better understanding of the concept “Scandinavian management”. Such work was undertaken by for example by Axelsson et al. (1991); Czarniawska and Wolff (1986) and Forss, Hawk and Hedlund (1984) who compared Scandinavian management practices and styles with management styles in the US, Latin America, Japan and Britain. These studies further identified, differentiated and contrasted Scandinavian management with other management schools. They also advanced the descriptions of what practices and processes were particular to Scandinavian management.
3.3.1 Tensions around Scandinavian management

There is minor tension around the term Scandinavian management. Some, particularly Swedish researchers, highlight that national differences between Scandinavian countries are noticeable and choose to distinguish between Swedish and Scandinavian management styles (Andersson-Sundelin, 1989; Gustavsson et al., 1994). These authors suggest that the difference between Swedish management and what is stated to be Scandinavian management is too noticeable to use the term Scandinavian management. They argue that the value system and the characteristics of Swedish management (greater consensus seeking, less urgency in decision making and greater focus on processes) differ from those of other Scandinavian countries (Andersson-Sundelin, 1989). However, while there are dormant tensions and nationalistic undertones, most researchers studying Scandinavia and Scandinavian management have found that, while there are differences between Scandinavian countries and within Scandinavian countries, Scandinavian management is seen to be a distinct management style with shared characteristics and beliefs (Holt-Larsen & Bruun de Nergaard, 2007; Sjöborg, 1986; Thygesen-Poulsen, 1997).

3.3.2 Scandinavian culture

Scandinavian culture is a topic often discussed and disagreed on. Culture as a concept highlights wide differences between definitions, this research will use Schramm-Nielsen’s (1993, p. 23) definition of culture:

“The taught, common, implicit and explicit pattern of values and norms, which a group of people have in common and are expressed through social systems, interaction and behaviour.”

It is important to note that culture is not always regional and national but can also be local and this is especially true in locations that were formed by different areas merging to form a modern-day country. Scandinavia has many local regions and the culture differs between them. The national culture is thus a mixture of local cultures and identifying it is not a precise science. One way to look at culture, with the intention of identifying any particular Scandinavian culture, is to look at cultural distances. Ingelhart et al. (1998) measured cultural distances between countries, and by surveying respondents in Sweden, Norway and Denmark they determined that regarding human concerns, Scandinavian countries form a compact cluster and a common managerial culture existed. This study
tends to validate the existence of a Scandinavian culture and identifies its shared common traits (Zemke, 1998).

Having established that there is a Scandinavian culture, several researchers go on to discuss a specific Scandinavian management culture by using the descriptive phrase “first among equals”. This highlights the egalitarian nature of Scandinavian management and the importance placed on the values that form the base of Scandinavian management (Schramm-Nielsen et al., 2004; Grenness, 2003). This is further supported by findings showing that management in Scandinavian countries shares traits such as flat hierarchies, informal leadership, open communication lines and a focus on power sharing. These traits do not vary to any great degree between the countries (Douglas & Douglas, 1989; Zemke, 1988; Zander, 2000). Scandinavian management, built on an identified set of shared traits, does thus have support in empirical literature (Lindkvist, 1991).

International researchers of culture agree. Hofstede (2001), for example, in his polarising but influential work on culture discusses Scandinavia and groups it together as one region. The Globe study (Global Leadership and Organizational Behaviour Effectiveness) clusters the region together as “Nordic Europe” adding Finland to the Scandinavian countries, making it difficult to use since Finland is not part of Scandinavia and does not share common traits such as language with the Scandinavian countries. Hofstede (2001), however, explicitly states that the Scandinavian countries cultures are related and share some common traits. They are however not identical and there are both differences among the countries and within them. Hofstede does not aim to show individual traits, instead he shows a generalisation of each culture.

While there is valid critique against the methodology used by Hofstede (McSweeney, 2002) his findings are used to describe Scandinavian culture by organisations such as the Nordic Council of Ministers (Norden, 2015), as well as researchers focusing on Scandinavian management (Lindqvist, 1991; Selnes, 1996; Warner-Søderholm, 2012; Waxin & Panaccio, 2005). This makes the choice to use it to describe the general culture suitable and following Scandinavian practice. This research has deliberately chosen to use Hofstede’s five cultural dimensions. A sixth dimension, indulgence, exists. It is relatively new and is based on less data that is collected in fewer countries compared with the other dimensions. The sixth dimension is also adding concepts such as happiness, a concept viewed differently across cultures. There is also doubts about the validity of data
from questions that ask participants to describe “how happy they are”. It is thus a deliberate choice to omit the sixth cultural dimension in this work. The choice of illustrating culture with Hofstede’s cultural dimensions is undertaken with the knowledge of the criticism it has faced (a discussion of the critique against Hofstede’s five cultural dimensions can be found at 3.4.1.6) and it is deliberately kept separate from the discussion of Scandinavian management (See 3.3.3). Looking at Figure 3.1 we can see why Hofstede suggested that the Scandinavian countries share common traits and how the three countries scored on his five cultural dimensions scale.

3.3.2.1 Power distance

The Scandinavian countries are all low scoring here, especially Denmark. This indicates that Scandinavian managers expect their subordinates to be colleagues that share ideas and thoughts without fear. It shows that Scandinavian managers are not leaders that give orders but are instead more of the coaching kind of managers, and that employees expect autonomy. The ability to have access to superiors and to see flat hierarchies is evident from this scale and so is equality and egalitarianism. Work place atmosphere is informal and managers mingle with staff in an environment where everyone’s voice can be heard. Managers earn their respect not from their title but from their knowledge and interaction with the employees (Hofstede, 1991).

![Hofstede's 5 cultural dimensions](image)
3.3.2.2 Individualism

The Scandinavian countries are all individualistic but not to the extreme of, for example, the USA. There is an expectancy that individuals should look after themselves and their immediate family. In individualistic societies promotion is supposed to be based on merit and merit only and not on the network. The relationships are equal where need is what brings people together and they then work to achieve common goals (ibid, 1991).

3.3.2.3 Masculinity

Scandinavia scores very low on masculinity; Scandinavian countries can be termed feminine countries. Feminine countries value the work/life balance and managers are expected to consult with employees and ensure everyone is included. Managers should strive for consensus and not barge ahead until enough time has been given for consultation that aims to achieve consensus. Conflicts are resolved by compromise and negotiation. Rewards by visible physical gifts/compensations/benefits that make the receivers stick out are not favoured but instead seen as something that has the potential to cause a rift within the organisation due to the hierarchies being further visualised (ibid, 1991).

3.3.2.4 Uncertainty avoidance

Here the differences between Norway and the other two countries are more visible. However, there is generally a low preference for avoiding uncertainty. Low preference means that in a workplace it matters more to achieve something than to follow the exact rules. There is a belief that fewer rules are good since this allows the employee to take initiatives and act based on their own skill and competence and not wait for orders or follow manuals. Hard work is undertaken when necessary but not for its own sake and when there is less to do it is acceptable to slow down the speed of work. Change, innovation and initiatives are acceptable if they don’t interfere with the tasks (ibid, 1991).

3.3.2.5 Long-term orientation

While none of the Scandinavian countries have a low score here, both Denmark and Norway show that they are more normative than pragmatic. Sweden does not show a preference for either or. Scandinavians tend to look for the absolute Truth when they make decisions and this influences the manager. They will look for the proven answer and do not go with an untested hypothesis; they are normative in their thinking.
3.3.3 Scandinavian management

While Hofstede provides a descriptive discussion about culture, other researchers have identified Scandinavian culture and its specific processes and similarities focusing on shared values. Values are defined as:

“features in each other's communities and populations, which we can recognize across the national borders” (Holt-Larsen & Bruun de Nergaard, 2007, p. 11)

The Scandinavian management values identified by researchers are not values that are shared across many countries, for example, democracy, but something that is uniquely Scandinavian which Scandinavian practitioners use to guide their management styles.

This idea of shared Scandinavian values that guide management is reflected in academia where concepts such as common traits are brought into the management styles. Common traits for Scandinavian management are said to start with a “shared vision” between all stakeholders of an organisation and not just a vision agreed upon by management (Lindkvist, 1991). This Scandinavian management value goes by many names but is often part of what Scandinavian refer to as their “value-based management” (Brytting & Trollestad, 2000; Maccoby, 1993; Sivesind et al., 2005). Some research takes this further and calls this stakeholder capitalism where the focus for managers is not to maximise the return to shareholders as pure capitalistic philosophies prescribes, but instead to maximise the return for all stakeholders (Grenness, 2003; Maccoby, 1993, Sivesind et al., 2005).

Keeping value-based management and attention to all stakeholders in mind, we can start to see the specific components of a Scandinavian managerial style. Table 3.1 shows common Scandinavian leadership values identified though previous studies and through this research. Scandinavian leadership values are also compared to traditional Asean values, this is shown to explicitly demonstrate the difference in context that Scandinavian managers face when they work in Asean countries.
Table 3.1. Scandinavian management values (Adapted from Holt-Larsen & Bruun de Nergaard, 2007; Cordeiro-Nilsson, 2009).

<table>
<thead>
<tr>
<th>Value</th>
<th>Scandinavia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-determination</td>
<td>Management and labour share the responsibility for the running of the organisation.</td>
</tr>
<tr>
<td>Consensus management</td>
<td>A decision is not taken until there has been some degree of unity among all stakeholders for it. Pressing ahead before a degree of unity is achieved is detrimental to achieving goals. There is an implicit understanding that conflict should be avoided and is detrimental to organisational success.</td>
</tr>
<tr>
<td>Decentralised decision-making</td>
<td>Scandinavian managers set goals but do not provide detailed instructions on how to achieve them. This is often seen as imprecise or vague by co-workers from other cultures.</td>
</tr>
<tr>
<td>Individual leadership</td>
<td>The employee is expected to take individual responsibility, to be accountable for work and do what is best for the company and for the fellow employees without being explicitly told so.</td>
</tr>
<tr>
<td>Social responsibility</td>
<td>The labour force is a resource that is respected and acknowledged. Consideration for quality of life should be taken both regarding individuals, nature and the government</td>
</tr>
<tr>
<td>Long-term orientation</td>
<td>Decisions at all managerial levels should be based on what is best long-term for the company, for the employees and for the stakeholders.</td>
</tr>
</tbody>
</table>

3.3.3.1 Co-determination

Co-determination is a key to Scandinavian values. This is noted in several ways, from the short power distance, flat hierarchies and expectation of teamwork to the long voluntary tradition, emphasising cooperation between industry organisations and labour organisations (Lindeberg et al., 2013; Torvatn et al., 2015). This tradition sees support within the society and it guarantees the employees a say in management practices (Brewster & Larsen, 2000). Co-determination it thus part of the Scandinavian management values that we see implemented across Scandinavian enterprises and subsidiaries. The spirit of collaboration between management and labour interests is not only noticed at the top management level, it is something that is expected to be found, by both managers and labour, throughout an organisation. The expectance that management and labour achieve unity through communication and without conflict is prevalent throughout Scandinavian MNEs. It is expected that middle and line managers should adhere to this tradition within their local organisation and or team (Andersen & Hällsten, 2016).
3.3.3.2 Consensus management

Consensus management is a concept that is very strong in Sweden and Norway but also prevalent in Denmark. Consensus means that for a decision to be taken it needs to be agreed upon within the organisation. A decision is only taken when it is acceptable to all. The process that leads to a decision is expected to be civil; conflict over differing opinions is shunned. Since Scandinavian leaders expect teamwork, short power distance, flat hierarchies, openness and engaged employees, seeking consensus is a way to put forward ideas and face scrutiny. Managers don’t give an order but instead suggest actions to be taken. When doing this they have to convince employees of their idea and vision (Holt-Larsen & Bruun de Nergaard, 2007). If this is done successfully and the organisation understands the reasoning, then reaching the intended goal is easier since there has already been an agreement on the need to accomplish the set goal (Jönsson, 1995). It is also suggested that through the lengthy anchoring and discussion that is needed for consensus decisions comes a loyalty between employees and the organisation. Since the individuals have been part of the decision making they feel responsibility to ensure that the strategy is fulfilled and that agreed upon goals are achieved (Correiro-Nilsson, 2009; Jönsson, 1995).

3.3.3.3 Decentralised decision-making

Scandinavian countries are characterised by managers having large span of control and flat hierarchies. This means that leaders do not have the ability to micro manage but instead must trust their employees (Holt-Larsen & Bruun de Nergaard, 2007). This ability to manage large numbers of employees makes Scandinavian organisations efficient and lean. However, for persons used to management access and clear directions, it can be frustrating since managers are rarely on hand to provide answers or directions (Lindell & Arvonen, 1996). Responsibility instead tends to be delegated down from management to the people directly involved in the tasks (Grenness, 2003; Jönsson, 1995; Torvatn et al., 2015). This delegation to the people involved makes some employees feel that Scandinavian management is vague and imprecise. However, others say that is the purpose, employees are hired as experts and should know what to do (Correiro-Nilsson, 2009; Grenness, 2003). The impreciseness is deemed to encourage innovation and localised solutions and breed efficiency and work satisfaction (Jönsson, 1995). Another sign of the de-centralisation is the informal communication patterns between
Scandinavian managers and employees. Jönsson, (1995, p. 321) exemplified it by using a common phrase used by Swedish managers when a problem was identified; “see what you can do about it”. This implies that the issue is delegated, giving the employee the task to search for a solution without any clear instruction of how this should occur. This differs from how managers with other values often approach problem solving and managerial accountability.

3.3.3.4 Individual leadership

The view of employees as adding value to the organisation and being hired as experts is fundamental to the concept of employees. Managers, while knowledgeable, know that they cannot know everything and instead assume that knowledge is embedded within the organisation’s human resources. Aligning with a decentralised approach to management, co-worker philosophy means that employees are responsible for meeting goals and that they know this and act thereafter without being told to do so, thereby explicitly taking on an informal leadership of specific tasks (Andersson et al., 2011, Correiro-Nilsson, 2009; Grenness, 2003). Some researchers use the term co-workership to describe this. Co-workership means that individuals feel not just empowered to take on leadership over their tasks but also over their relationships within the group and the wider company. Co-workership or individual leadership are established forms of management values based on fundamentals such as trust, collaboration, accountability and delegation. It has been used for many years in primarily Sweden and Norway (Hällsten & Tengblad, 2006; Velten et al., 2008). It has been suggested that the individual leadership acts in unison with short power distance and flat hierarchies to create a spirit of teamwork and cooperation where everyone is empowered and has ownership over their own situation and performance. This has also been suggested to increase the social kinship between people working at the same organisation (Andersson, 2014). It is argued that co-worker participation is a fundamental part of Scandinavia managerial values since it empowers the employee to realise his or her potential. Furthermore, it is expected to influence positively job satisfaction, efficiency, productivity and employee turnover (Furusten & Kinch, 1996; Holt-Larsen & Bruun de Nergaard, 2007).

3.3.3.5 Social responsibility

Scandinavian societies are based around a welfare state where democratic institutions reach decisions based on citizen feedback and consensus. Companies are expected to help
finance this welfare state and there should be shared ideals such as equality and
egalitarianism. To achieve this, it is accepted that a large public sector is needed and that
it requires all individuals to help finance it (Holt-Larsen & Bruun de Nergaard, 2007).
This means that Scandinavian values assume that the enterprise should not just look at
the goals of the shareholders but the goals of all stakeholders and that they are part of a
larger context of which they must be a meaningful contributor. It is also assumed that
when a decision is taken the considerations should not just be financial but also such
aspects as the quality of life for employees and society.

3.3.3.6 Long term orientation

The long-term orientation can be seen not just from the managerial values and how they
are carried out through decisions but from ownership of Scandinavian organisations.
Denmark’s largest company (AP Møller-Maersk) is majority controlled by a family trust
and has been so for over 100 years. Many of Sweden’s largest companies are controlled
by family trust and have been so for over 100 years (Investor AB and/or Industrivärden
AB). Norway’s largest company (Statoil) is public. Being used to a model that allows for
long term consideration means that decision-making can take time and is anchored within
the organisation. An important decision should not just look at the consequences one year
ahead but be something that will provide value over the coming years, balancing the
interests of the employers, the employees and the surrounding society. This outlook will
assist, it has been argued, with improved organisational resilience and it serves as a means
to reinforce organisational focus (Andersson, 2014). The long-term horizon in decision
making makes immediate results less important and instead allows management to focus
on long-term viability, often taking decisions that may reduce shareholders’ immediate
profit by favouring long-term investments.

3.3.4 Scandinavian TM programs

TM programs are just one of the managerial tasks that the participants in this study
manage. There are few examples of exactly what a TM program is in literature. This is
not surprising since it tends to be confidential information that is at the core of providing
an organisation with a strategic competitive advantage through its human resources. Also,
while TM is often spoken about, it is rarely defined and even when this is attempted, as
seen in Chapter 2, there is little agreement on the definition. For Scandinavian
practitioners, TM programs are rarely called by this English name. Instead they carry a more organisational specific name. Examples (direct translations) given are “the XX way” or a generic name such as “Human identification and development plan for XX organisation”.

This leads to confusion and to the core question about what exactly a TM program is. To address this, Table 3.2 shows a description of what a GTM program will look like based on the researcher’s own understanding and experience. It may be prudent to note that the researcher has spent many years working with and designing TM programs and, while he does not know what every Scandinavian TM program looks like, he has a good idea of the main components included and the fundamental assumptions guiding the program. This table thus shows a very simplified description of what is included in a Scandinavian TM program (a full TM program is normally 50-150 pages long) focusing on the core components of a Scandinavian TM program.

Table 3.2. Scandinavian Talent Management Program

<table>
<thead>
<tr>
<th>Core concept</th>
<th>Company values</th>
</tr>
</thead>
</table>
| Strategic
considerations | Strategic goals Leadership Organisational goals |
| Initial TM Tasks   | Talent selection Talent identification Employer Branding |
| Strategic TM Tasks | Training and development Performance Management Compensation and Benefits |
| Values             | Inclusiveness Thriftiness Team-focus |
| Goals              | Team goals Organisational goals Individual goals |

The first line shows the first aspect of the TM program. In Scandinavia, companies tend to start with the values. What are we as an organisation and what would we like our company to identify with? This is aligned to the strategic outlook of the company and is decided at top management level. The values are the guiding principles and what determines the rest of the TM program. The values are then aligned with strategic goals so that the human resources are organised, developed and prepared to meet and accomplish these. At this stage, the HR Manager will take over the TM work, starting to outline initial TM tasks based upon the values identified above. This aligning of tasks
with values may sound basic but in a well written TM plan, the individual’s values and their links to TM practices such as talent identification, selection and development are made explicit. For example, when it comes to talent, suggestions of individual values, workplace gender balance, workplace age balance, preferred career experiences, personal traits and characteristics, and educational backgrounds are suggested.

Scandinavian HRM tend to differ from Anglo-American HRM, where the process normally involves identifying skill gaps and filling them through identification and recruitment of the “best candidate”. Instead, Scandinavians look at values and create a profile of what is missing in a team and then find and develop a candidate thereafter. Such profiles are detailed, containing many different paths and potential trajectories. Strategic tasks like development and compensation are continuous and are measured using a set performance management structure. Scandinavian talent management plans tend not to measure performance with numbers but instead focus on development of key values. These values are aligned with the corporate values and, to ensure that a company has a competitive advantage, seek to develop talent that aligns with the organisation’s core values and strategies. To help in this development are organisational, local and individual goals set by the involved persons and their managers.

Values may sound vague, but based on the literature and personal experience, it can be assumed that most Scandinavian MNEs use value driven GTM programs. Just as it can be assumed that within a Scandinavian MNE there is low power distance, flat hierarchies and low uncertainty avoidance. At IKEA, an example of a value based Scandinavian MNE, core values are listed on its webpage and are exemplified by symbolic stories. Thriftiness, for example, is a core value of IKEA and it is a concept that is promoted throughout the organisation. The story highlights that meetings are only held at IKEA or IKEA owned properties, that company lunches are served in the IKEA restaurant and travel is done solely in economy class. It is about creating an organisational culture where organisational values guide the business in as many areas as possible and on a microscale. In such an environment, talent is determined to be those individuals who align with the core values of the MNE and when such individuals are identified resources are spent to further their career within the organisation.
3.4 Host countries contexts

To discuss the host countries that our participants work in is complicated since they differ between all participants. The GTM programs our participants oversee cover not just the regional HQ country but usually a larger area, most commonly Asean and Oceania. The geographical areas and the institutional and cultural contexts thus vary significantly. However, while the areas overseen by Regional HQ and thus our participants differ, all of them reside in Singapore or Malaysia, making them particularly aware of the contexts of these host nations. Understanding the cultural dimensions of the main geographical areas and cultures managed by our participants provides an idea of the diverse environments that our participants work in and that shape their perception of reality and their experiences. We will thus first highlight the individual differences of cultures within the region (see Figure 3.2).

As expected there are large variations and a specific difference between Australia and New Zealand and the Asean cultures of Malaysia, Thailand, Indonesia, Philippines, Singapore and Vietnam. Compared with Scandinavia, of specific interest is the high-power distance (in Asean cultures), the low individualism (meaning the countries are collectivist), the high masculinity (here Scandinavian countries are extremely feminine in their culture). In uncertainty avoidance and long-term orientation, we note that the contrast with Scandinavian countries is not that large. Below a more extensive discussion of the regional hub, Singapore, is undertaken.
3.4.1 Singapore

Singapore, the base for all but two of the research participants, is a small island country of 4.5 million inhabitants. Singapore is formed by people of different cultures. The British, Singapore’s colonial power, classified the Singaporean cultures based on race (current composition – Chinese (74%), Indian (9%) and Malays (14%)). Another way to look at Singapore is to look at the ethno-linguistic background of its people. The so-called “Indians” are majority Tamil speakers with the second largest group being Malayali speakers. The group so called “Chinese” are majority Hokkien, followed by Teochew, Cantonese and Hakka while the group identified as “Malay”, compromise the Johor-Riau Malays as well as other groups such as the Javanese, Baweanese, Acehnese and Bugis. All are today considered “Malays” (www.singstat.gov.sg). This means that when we say Chinese or Indian, it is in fact different people grouped together and finding common cultural traits is thus not easy. Instead it is best to recognise that this mix of ethnicities, languages and dialects has made Singapore what it is today and has helped shape the country and its institutional context. For example, as a compromise solution English was chosen as the medium of education resulting in Singapore obtaining a distinct educational competitive advantage over the rest of Asean (Osman-Gani & Tan, 2002). While Singapore has four official languages, English, Tamil, Mandarin and Bahasa Malay, the working language in Singapore is English and English is the main language spoken at all the subsidiaries (Osman-Gani & Tan, 2002). In fact, the English proficiency is so good that Scandinavians face almost no barriers when communicating with locals (Correiro-Nilsson, 2009). Some participants even suggest that in regard to language, the Scandinavians are not as well versed in specific technical terms as Singaporeans.

Moving on to the legal context, Singapore’s juridical system is based on English common law and thus judge-based in key areas such as property, contract, trusts and financial services legislation. On the other hand, criminal, family and corporate law is statutory based (Chan, 1995). Singapore is considered a judiciary that is neutral and trustworthy and thus over 30,000 overseas companies have set up subsidiaries in the country (www.singstat.gov.sg). A subsidiary differs from a branch office, all our participants work for subsidiaries. The differences between a subsidiary and a branch office are several but the main ones are that a subsidiary is its own legal entity and separate from its parent, its liabilities are thus limited to the subsidiary and do not encompass the parent company (www.acra.gov.sg).
Understanding Singaporean culture requires the researcher to have contextual knowledge. Singaporean culture is a mix but the overseas Chinese are the dominant culture. However, the overseas Chinese contexts are not reflected in the institutions which are distinctively British in inspiration and form. This mix between western and eastern traditions has been noted by previous studies and it is suggested that it is wrong to assume that Singaporean values are Confucian. Instead, it is proposed that they are a mix between western and eastern values and that eastern management beliefs are inspired not just from one Asian culture but from several (Lillebö, 1996; Osman-Gani & Tan, 2002).

Looking at how Scandinavian and Asean management style differs we can see substantial difference. Using Table 3.3 we can highlight the differences.

Table 3.3. Scandinavian and Asean management values (Adapted from Holt-Larsen & Bruun de Nergaard, 2007; Cordeiro-Nilsson, 2009).

<table>
<thead>
<tr>
<th>Value</th>
<th>Scandinavia</th>
<th>Asean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-determination</td>
<td>Management and labour share the responsibility for the running of the organisation.</td>
<td>The owner has responsibility and is rarely questioned by labour.</td>
</tr>
<tr>
<td>Consensus management</td>
<td>A decision is not taken until there has been some degree of unity among all stakeholders for it. Pressing ahead before a degree of unity is achieved is detrimental to achieving goals. There is an implicit understanding that conflict should be avoided and is detrimental to organisational success.</td>
<td>The leader’s power to take decisions is absolute. There is no need to wait for the input of stakeholders before a decision is taken.</td>
</tr>
<tr>
<td>Decentralised decision-making</td>
<td>Scandinavian managers set goals but do not provide detailed instructions on how to achieve them. This is often seen as imprecise or vague by co-workers from other cultures.</td>
<td>Used to a detailed micro managerial style where managers at each level provide clear and written instructions about the task, its workflow and the goal to be achieved.</td>
</tr>
<tr>
<td>Individual leadership</td>
<td>The employee is expected to take individual responsibility, to be accountable for work and do what is best for the company and for the fellow employees without being explicitly told so.</td>
<td>The hierarchy dictates who your colleagues are but work is divided using clear organisational positions and position descriptions where work tasks are explicitly stipulated.</td>
</tr>
</tbody>
</table>
Social responsibility

The labour force is a resource that is respected and acknowledged. Consideration for quality of life should be taken both regarding individuals, nature and the government. Quality of life is based on the employer providing adequate income. Work is a privilege and a means to support oneself.

Long-term orientation

Decisions at all managerial levels should be based on what is best long-term for the company, for the employees and for the stakeholders. Management philosophy dictates whether there is short or long-term orientation to achieve goals. Middle management and line management tend to look at short term goals only.

The overall culture in Singapore also differs from Scandinavia. This is illustrated below where a cultural comparison between the Scandinavian countries and Singapore is made. As can be seen in Figure 3.3 the differences are significant.

![Hofstede cultural dimensions: Comparison of Scandinavian and Singaporean cultural dimensions](image)

*Figure 3.3: Comparison of Scandinavian and Singaporean cultural dimensions*

While Hofstede’s (1991) cultural dimensions provide a generalised image of national cultures there are some differences that Scandinavian managers in Asean experience and they are expanded upon below.
3.4.1.1 Power distance

Power distance is low in Scandinavia, where it is expected that employees will be able to have opinions and make suggestions to their managers. In fact, not voicing suggestions is seen as not showing a sufficient interest in the workplace. However, in Singapore, the power distance is high and voicing an opinion to a manager is to question the manager’s authority. It is normally only done when a local employee feels comfortable and trust is built and a relationship is formed (Chan & Pearson, 2002). The corporate culture in Singapore is seen as more closed than in Scandinavia and is characterised as being a culture where there are vertical hierarchies (Bala, 2005). Employees are rarely given all information from management, but rather, selective information provided to those who are to complete a task. Authority and seniority is said to be highly respected within the vertical hierarchies of the organisation. A manager is rarely questioned since questioning him in public is akin to challenging his authority (McKenna & Richardson, 1995; Lillebö, 1996; Bala, 2005).

3.4.1.2 Individualism

While individualism is high in Scandinavia, in Singapore the approach is more collectivistic. This is seen by the number of informal networks within organisations. The support of the network for promotion and for work benefits is natural. This differs from the Scandinavian belief in meritocracy. The equality of the Scandinavians is also not replicated in Singapore. Here family comes first and there are many times when the family see less advantage for the female to have a career that outshines the male. This can cause tension (Hofstede, 1991). Asian managers frequently take on a paternalistic role within the enterprise. These leaders may reward their staff based on personal initiatives and the relationship with the manager is thus of utmost importance (Lilliö, 1996).

3.4.1.3 Masculinity

While the Scandinavian countries are very feminine, Singapore is more masculine. To receive visible awards when you are a manager, to be compensated and be able to get the best office, parking space and job title is seen as important in Singapore while Scandinavians regards these as of less value. The competitive strife, focusing on rewards, is of importance in Asean and Singapore is no expectation. To be successful is to have authority and when you are successful you do not need to seek the views of co-workers (Chan & Pearson, 2002). Here Singapore is vastly different from Scandinavia, in
Scandinavia teams and low hierarchies are fundamental and managers interact and take advice from employees of lower rank. This is something uncommon in Singapore and something deemed unnecessary in a very masculine environment (www.geert-hofstede.com).

3.4.1.4 Uncertainty avoidance

Controlling various situations is deemed important for both Singaporeans and Scandinavians but more so for Singaporeans who tend to fear losing their face when they are uncertain or do not have the right answer (www.geert-hofstede.com). This also translates into the organisation where Singaporeans prefer clear guidelines, orders and set management structures. The Scandinavian habit of providing vague responsibilities is thus not always appreciated and can often cause confusion (Correiro-Nilsson, 2009).

3.4.1.5 Long term orientation.

Singaporeans have a longer-term orientation than Scandinavians. However, Scandinavians, in particular Swedes, have a long-term orientation as well. High scorers on the long-term scale are cultures that are deemed pragmatic. Singapore is pragmatic rather than normative and looks for a long-term solution but it is ok to keep several lines of action open. There is more than one right solution and time will show what the correct way is. This is sometimes confusing for some Scandinavians where the answer is the absolute truth and they search for it before they act (www.geert-hofstede.com).

3.4.1.6 Critique against Hofstede’s cultural dimensions

Choosing to illustrate the differences in culture between Scandinavia and Singapore using Hofstede’s (1991) five dimensions is a choice made with the knowledge that Hofstede’s five cultural dimensions are polarising. It is well known that some researchers question the methodology and the validity of Hofstede’s work (McSweeney, 2002). It is also important to note that this study does not use the sixth-dimension indulgence to illustrate differences (see p. 72). This research agrees with some of the criticism against Hofstede but believes that using Hofstede’s five cultural dimensions add to the understanding of the realities faced by the participants.
The main critiques against Hofstede focus on three areas. First, it has been argued that using survey as a method to accurately determine and measure cultural disparity is not suitable. Culture is a value that is sensitive and subjective and thus a survey cannot capture the full breadth of the topic (Schwartz, 1999). Hofstede has addressed this criticism by stating that he employs more methods than a survey to collect data (Hofstede, 1998). Second, the most widely noted concern with the cultural dimensions, is that they are said to represent one homogenous national culture. This critique highlights that there is no homogenous culture within national borders, which in many cases are disputed or drawn up by parties not local to the area (Lindell & Arvonen, 1996; McSweeney, 2002). This is a valid criticism, however Hofstede, while he agrees that differences exist within a nation, argues that this is not meant to be an exact definition of every individual but instead an average (Hofstede, 1998). The third area of critique is that only one organisation was surveyed (Graves, 1986; McSweeney, 2002; Søndergaard, 1994). This is also a legitimate critique, as breadth and depth in culture needs to be allowed for. Hofstede acknowledges this, but also argues that he was gauging differences between cultures and, when doing so, it was appropriate to rely on a cross sectional analysis. Furthermore, he also argues that by sticking to one organisation he was able to eliminate any effect of organisational policy or management practices influencing the behaviour of the individual, leaving only culture to explain differences (Hofstede, 1991).

Hofstede has received support for his choice of using one organisation. Some researchers have suggested that the framework used by him was “based on rigorous design with systematic data collection and coherent theory” (Søndergaard, 1994, p. 448) influencing the behaviour of the individual leaving only culture to explain differences (Hofstede, 1991). It is also important to note that Hofstede’s work on culture is the most widely cited in academic work in existence (Bond, 2002; Jones, 2007). It should be noted that Hofstede’s five dimensions are not used for any analysis, only to demonstrate the different cultural contexts that our participants work and live in and compare and contrast them to Scandinavian contexts and this research believes that the use of Hofstede’s five cultural dimensions is suitable for this particular purpose.
3.5 Summary of the chapter

This chapter sought to provide a context of the lived environments that the participants in this study experience daily. It is written descriptively attempting to provide the reader with some understanding of the cultures and contexts shaping the participants’ realities in the study. It is hoped that a better understanding of the choices, the thoughts, the interpretations and the lived experiences seen among the collected data from the participants can emerge. While Hofstede and his cultural dimensions are not accepted by all, and while they may not be suitable to use for analysis, according to several researchers, they do provide a good descriptive insight into national culture and help visualise specific parts of both Scandinavian and in this case, primarily Singaporean culture. The Scandinavian management values/style described in the chapter is here juxtaposed (Table 3.3) with that of the host region to provide the reader with a further understanding of the lived realities of the participants. This contrast showcases the reality which the participants live in and helps provide contextual understandings in regard to how they act and why they think in the way they do.
Chapter 4: Methodology

4.1 Introduction

The purpose of this chapter is to discuss and explain the methodology and methods used in the research process. The chapter begins with a discussion outlining the philosophical positioning that the researcher has, first framing the constructivist stance of the research and then focusing on ontological, epistemological and axiological assumptions. It then discusses the choice of methodology and the paradigm employed in this research. As part of this, the corresponding principles of phenomenology are discussed and so are the opposing branches of phenomenology. After this comes a discussion and description of the methods employed for selecting participants, creating the interview protocol, collecting the data, conducting the data analysis and the interpretation methods used to answer the research questions within an interpretive phenomenological framework. At the end, there is a discussion about rigour and how this research aims to ensure it is adhered to throughout the research project.

4.2 The researcher’s philosophical position

Before the method of enquiry is constructed it is important to reflect on the world view of the researcher. The researcher believes that reality is subjective, open to interpretation and consistently changing. This belief influences the choice of research methodology and provides a certain bias in the choice of research paradigm. This places the research within the constructivist position.
Constructivist qualitative research requires the researcher to “be honest with yourself” (Saunders et al., 2009, p.118) and by stating one’s potential beliefs and biases the most suitable choice of research paradigm can be made without compromising the ability to effectively investigate a phenomenon. The researcher believes that a reality of a phenomenon is perceived and interpreted by humans based upon their previous lived experiences and differs from person to person. The researcher also believes that people’s experiences can be communicated, understood and explained through individual interviews which are then decoded (Van Manen, 2007). The researcher has his own values and beliefs and these form part of the fabric that allows the interpretation of the realities and knowledge that the participants relay to the researcher (Conklin, 2007; Lemke et. al., 2006; Van Manen, 2007). This, bias, needs to be kept in mind when the research strategy is chosen and it needs to be accounted for to keep the research valid and reliable. In this research, the research questions are formulated from the perspective that an individual’s own experiences are central to how he/she perceives and interprets various events around him or her.

### 4.2.1 Philosophical assumptions

The belief that the individual’s own experiences are central to understanding a phenomenon will guide the choice of research paradigm and the method of enquiry for

| Table 4.1: The researchers philosophical position (own design). |
|-------------------|-------------------|
| **Ontology**      | **Positivist**    | **Constructivist** |
|                   | Singular reality – confirm or reject hypotheses | Multiple realities – different people experience reality differently – multiple perspectives |
| **Epistemology**  | Distant and objective – impartial, detached data collection by researchers | Close and interactive – researchers interact with participants during data collection |
| **Axiology**      | Unbiased and value free – formal checks eliminate bias | Biased and value laden – Recognised and discussed, due to close participant interaction |
| **Methodology**   | Researchers test pre-existing theory | Researchers start with participants’ views and build a theory |
| (Research process)|                   |                   |
| **Rhetoric**      | Formal – researchers use agreed-on definitions and scientific variables | Informal – researchers use literary, informal style, based on participants’ language |
| (Research language)|                   |                   |
This study believes that to understand and analyse a phenomenon, the people who are investigated are participants of the study. The participants’ experiences, perceptions and worldviews need to be considered, investigated and understood. In addition to the participants’ thinking, there is a need to describe who the author is and what his previous experiences are, a need to discuss the author’s assumptions and perceptions of the world, his worldview.

4.2.1.1 Ontological assumptions

The term ontology was first used by the Greeks and derives from “onto” which means being and “logia” which means science or study. Thus, ontology is about the study of being. Crotty (1998) suggests that ontology is about the study of reality. Using the word reality instead of being makes it easier to understand what the original study of being means. Ontology focus on how individuals, researcher and participants, notice the world around them and how they interpret it. There are two major positions that a researcher can take, that of a realist or a relativist (Saunders et al., 2009). Realism assumes that the world does exist independently from human action and observation (Blaikie, 2007). This means that reality can be measured objectively should the researcher carefully bracket out his/her owns personal bias (Ramey & Grubb, 2009). Relativism, on the other hand, suggests that the external world exists only in the individual’s own beliefs and interpretations of the world he/she sees around him/her and that the world is interpreted based on our perceptions of thing we see or know (Blaikie, 2007). This research takes the assumption of relativism as guiding the research. Relativists believe that the interpretation of the world around us shapes the understanding of what is and that there is no one objective truth to the world but instead many truths that depend on the values bestowed upon them by the observer.

4.2.1.2 Epistemological assumptions

The term epistemology was first used by the Greeks and derives from “episte” which means knowledge/understand and “logia” which means science or study (Crotty, 1998). Thus, epistemology is about the study of knowledge. Blaikie (2007) suggests that epistemology is the study of the nature of knowledge. Epistemology is said to look at the “nature of knowledge, its possibility, scope and general basis” (Hamlyn 1995, p. 242). There is thus a need to discuss and justify the epistemological beliefs of this researcher. According to Crotty (1998) there are three distinct and differing approaches to an
epistemological position that a researcher can take; the objectivist, constructivist and subjectivist position.

The objectivist position is one where knowledge is based on a reality that exists, not in the minds of the persons researching; that the existence of an objective truth can be discovered should the researcher just study the phenomenon in the right way (Crotty, 1998). The role of the researcher is to study the object in the right way and then discover a meaning that has been in existence waiting to be discovered by the researcher all the time and all it took was for the researcher to design the study in the correct way and the truth would be found. The constructivist position instead suggests that there is no objective truth to be discovered (Blaikie, 2007) instead the truth is created through engagement between the individual and the realities in the world (Crotty, 1998). Meaning or truth is not discovered but instead created through the construction of a reality by the people experiencing it. In constructivism, there are thus many realities that can be constructed since people construct meaning in different ways and interpret what they construct differently (Lincoln & Guba, 1985). The subject and object are together creating the meaning of a phenomenon in the constructivist approach (Crotty, 1998). The third and final approach is subjectivism. Using the subjectivist approach to knowledge, meaning or truth is imposed on the object by the subject. The pure form of subjectivism should see meaning created out of nothing, but usually subjectivism is where meaning comes not from any interaction between subject and object (constructivism) but instead from the subject’s own unconscious understanding (Crotty, 1998). With this research believing that there are multiple realities, searching for the objective truth and the one meaning is not feasible and an objectivist approach to knowledge is not suitable. Instead the belief is that there are multiple individual subjective realities that are shaped and constructed by the interaction between the subject and the object making the constructionist approach to knowledge the more suitable one.

4.2.1.3 Axiological assumptions

The term axiology was first used by the Greeks and derives from “axios” which means worthy and “logia” which means science or study (Crotty, 1998). Axiology is thus the study of the nature of the worthy conceived of as value, specifically as to ethics. Axiology implies that there are choices to be made and they are influenced by how one declares the position of the researcher and their potential bias and let this be part of the choice of
guiding the problem, research paradigm and method of enquiry. With this researcher believing that bias cannot be bracketed away, the bias is expected to be part of the research and the findings will be co-constructed by the researcher and the participants. The bias is acknowledged and helps guide the choice of research instruments and research paradigms in this case. The axiological acknowledgement of the researcher’s bias makes the choice of co-construction of the truths and meanings of the lived experiences part of the research. The values that come with the discussion of the lived experiences cannot be bracketed away and this leads to a subjective co-construction of these lived experiences. This leads the researcher to use the interpretative research paradigm and acknowledge the bias in choice of method, believing that interviews where co-constructions of realities are often occurring are a suitable data collection tool (Crotty, 1998).

4.3 Research design

The research design is the all-encompassing plan a researcher uses to answer his or her research questions. It is a guide that helps the researcher go through the sampling, data collection, data analysis and it should ensure rigour (Fielding, 2010; Tharenou et al., 2007). Thus, the alignment of the research design and the research questions is essential. When constructing research, it is important to link and understand the theoretical and methodological perspectives that are adopted and to provide context and philosophical background, thereby ensuring the research is sound and the outcomes convincing (Cresswell & Plano-Clark, 2007; Crotty, 1998).

4.3.1 Quantitative or qualitative methodology

Quantitative methodology involves a systematic empirical investigation of a phenomena via statistical, mathematical or numerical data or computational techniques. It assumes that uncovering social laws based upon social events is possible and establishes facts based upon associations and correlations (Gephardt, 1989; Wardlow, 1989). Quantitative methodology is often used to test a hypothesis. With the researcher’s stated philosophical underpinning this methodology wouldn’t be a good fit since it is more suited to an objective worldview where there is ontological realism and epistemological positivism.
Qualitative methodology differs from quantitative methodology. Its data is commonly collected through observations, interviews or documents and primarily gain relevance through the meaning the units of analysis or participants attach to them (Miles & Huberman, 1994). Qualitative research is well suited to serve as a way to discover meaning, experiences and beliefs that are grounded in reality, especially when little is known about the underlying phenomenon and there is a paucity of prior empirical findings to rely upon (Eisenhardt, 1989; Miles & Huberman 1994). In qualitative studies, the richness of data provides the researcher with the opportunity to allow a consideration of context specific factors and casual relationships. This methodology thus fits better with the philosophical underpinnings of this study. Table 4.2 adds clarity to the differences between quantitative and qualitative research:

Table 4.2. Quantitative and Qualitative methodology; advantages and disadvantages (own design inspired by Grant & Giddings, 2002)

<table>
<thead>
<tr>
<th>Quantitative Methodology</th>
<th>Qualitative Methodology</th>
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<tbody>
<tr>
<td>Advantages</td>
<td></td>
</tr>
<tr>
<td>• Controlled variables</td>
<td>• Recognises the influence of the question, researcher, environment</td>
</tr>
<tr>
<td>• Predictable, replicable outcomes</td>
<td>• Generates new theories and perspectives</td>
</tr>
<tr>
<td>• Precise and specific measurement and documentation</td>
<td>• Provides in-depth information and understanding of lived experiences</td>
</tr>
<tr>
<td>• Validation measured using validity and reliability</td>
<td>• Validation through rigour, richness in data</td>
</tr>
<tr>
<td>• Difficulty with hypotheses’ verification over time</td>
<td>• The context is recognised in the research and in its results</td>
</tr>
<tr>
<td>• How objective is objectivity?</td>
<td></td>
</tr>
<tr>
<td>• A particular world view imposed</td>
<td></td>
</tr>
<tr>
<td>• People and complexity of social reality cannot be reduced to clearly defined variables</td>
<td></td>
</tr>
<tr>
<td>Disadvantages</td>
<td></td>
</tr>
<tr>
<td>• Difficult to replicate</td>
<td>• Researcher bias can influence results</td>
</tr>
<tr>
<td>• Conclusions not easily transferrable to other contexts</td>
<td></td>
</tr>
<tr>
<td>• Descriptions without judgements are not helpful for improving issues</td>
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</table>
In TM, there is evidence of both methodologies being used. Researchers using a quantitative methodology are for example Björkman et al. (2013) and Iles et al. (2010a), while some examples of researchers using qualitative methodology are Mäkelä et al. (2010) and Stahl et al. (2012). Those choosing a qualitative approach suggest that it offers a holistic perspective that helps to address multifaceted issues typical in TM and that it reduces the risk of cultural bias or ethnocentric assumptions (Marschan-Piekkari & Welch, 2004; Mäkelä et al., 2010). They suggest, broadly speaking, that qualitative methodologies are best suited to studies attempting to make sense of, or interpret, phenomena in terms of the meanings people attach to them (Denzin & Lincoln, 2005). A qualitative methodology is also well suited to work in a cross-cultural research project since it allows the researcher to accept the cultural and institutional contexts as part of the research. In this case the research is undertaken within MNEs but specifically within subsidiaries present in different contexts where the participants’ experiences and multiple realities are shaped by their interpretation of the environment. This makes our research more suitable for qualitative methodology. Further, the research philosophy, the ontological and epistemological standpoints of this researcher, are more aligned with those of a qualitative research approach than a quantitative research approach. Finally, as can be noted in Table 4.2, the in-depth approach to research and the recognition of the research context both play important roles in qualitative research. All these factors together make qualitative methodology the most suitable approach to use when attempting to answer the research questions.

4.3.2 Choice of research paradigm

Having discussed the philosophical position that underlines this research and the difference in methodologies where a qualitative approach was deemed most suitable, the research needs to discuss its chosen paradigm. Qualitative methodologies do not belong to one paradigm only or have their own kind of research methods (Denzin & Lincoln, 1998). Cresswell (2009) suggests that the researcher should think about his or her philosophical position, strategies of enquiry and research method when determining the paradigm. These three pillars work together and allow the researcher to frame the research design and show the paradigm that best addresses the research questions. A research paradigm refers to:
“the progress of scientific practice based on people's philosophies and assumptions about the world and the nature of knowledge, and, in the research context, about how research should be conducted” (Hussey & Hussey, 1997, p. 47)

The choice is guided by the philosophical assumptions of the researcher and the belief that many realities are constructed through the interaction between a subject and an object as well as the belief that bias will be part of the research.

There are some common paradigms of enquiry that guide the study undertaken. It is worth keeping in mind that lines between the paradigms can often be hard to distinguish and difficult to define (Cresswell, 2009; Crotty, 1998; Lichtman, 2006). There are several paradigms of enquiry that can be used, for example, positivism, post positivism, interpretivism and critical postmodernist theory. Positivism is generally used with quantitative methodology. Further the role of the researcher in positivism is to be independent from the study and observe and quantify findings. It is common that findings are analysed using statistical or mathematical methods (Moses & Knutsen, 2012). Crowther and Lancaster (2008) suggest that, as a general rule, positivist studies adopt a deductive approach and that research using the positivist paradigm is based primarily on facts and considers the world to be external and objective. This does not fit with the philosophical assumptions, the qualitative methodology and the positioning of this study and thus a positivist approach is not suitable here.

Post-positivism is a slightly altered version of positivism. While agreeing with the basic stands of positivism it suggests that, while the object is outside and independent of the human mind, complete objectivity is nearly impossible to achieve in research. Statistical, measurable data itself cannot explain all results. It further suggests that humans always carry some form of bias likely to affect studies. Post-positivism aims to collect broader information that can be deductively described, tested and compared (Gephart, 1999). Post-positivism suggests that the researcher needs to control bias and ensure it does not influence the research and that reality, while only approximated, is constructed through research and statistics (Cresswell, 2009). With this research acknowledging bias, and allowing it to be part of the participants shared experiences, the assumption that only one objective reality exists does not align with the philosophical position. The testing of hypothesis instead of understanding of the lived realities is also something that doesn’t
fit with the chosen philosophy thus post-positivism is not suitable as a research paradigm for this project.

Critical post-modernist theory is a paradigm which questions the present reality and its construction. According to Gephart (1999), the goal of a study using a critical post-modernist stance is to see the world through a lens of social transformation; a lens that can enlighten existing structures of power and domination. This is often done using a political or philosophical lens such as syndicalism, social-anarchism or radical feminism. This study does not aim to change the structures of the participants nor to question the power structures of societies and corporations. It aims to capture the lived experiences and perceptions and thus the critical post-modernist approach is not suitable.

Instead, this research will work within the interpretative paradigm. The interpretative paradigm aims to capture the meaning and the experiences of the subject. In the interpretative paradigm, scholars try to find the fundamental meanings inherent in humans’ normal environment. Reeves & Hedberg (2003) suggest that the interpretivist paradigm stresses the need to put analysis in context. The interpretive paradigm attempts to understand the world from the subjective experiences of individuals. It uses meaning, not measurements, to interpret the reality. It uses interviews, focus groups and observations as its primary method of enquiry, methods that rely on the subjective relationship between the researcher and the participants.

It further aims to explain the subjective reasons and meanings that lie behind actions undertaken. The interpretative paradigm aims to study humans from their perspective and gain in-depth and inside information based on their experiences. It aims to find their subjective perceptions and explain them. The interpretative paradigm looks for what Crotty (1998, p. 67.) calls “culturally derived and historically situated interpretations of the social life-world”. The interpretative paradigm also offers the ability to interpret the subjective meanings of the actions people undertake. To gain an in-depth understanding of the experiences of the individuals it is necessary to see the experiences from their point of view (Black, 2006). To do this the researcher should create an intersubjective relationship with participants, a relationship that allows the researcher to listen and observe their everyday reality and their perceptions and actions (Grant & Giddings, 2002). The interpretative paradigm allows the researcher not just the ability to understand the meanings, experiences and justifications of the participants but also to interpret their
“self-understandings” in a way that not even the participants themselves would have recognised (Grant & Giddings, 2002). To do this the researcher needs (to keep the interpretations true) to identify and understand their own beliefs about the subject reviewed. In the interpretive paradigm, the understanding of the phenomenon studied is the understanding about seeing something and interpreting it. It is about seeing things in new ways, or assigning new meanings to things we see (Asplund, 1970).

4.3.3 Phenomenological position.

Within the interpretative paradigm there are differing strategies of enquiry, phenomenology, ethnography and grounded theory for example. This research will use a phenomenological method of enquiry. Phenomenology is associated with the writings of philosophers such as Husserl, Heidegger, Gadamer, Arendt, Levinas, Merleau-Ponty and Derrida (Moran, 2000). Most of this work came out of the rich French and German philosophical scene that existed in Europe between the two world wars and, naturally, none of them wrote in English (Fleming et.al, 2003). This means that for the English-speaking world, we rely on translations and often, in deep philosophical discussions, pure translations cannot do justice to the meanings that the philosophers put in their writings. Translations of key parts of the philosophers’ texts may or may not be 100% accurate, but the translations take on a life of their own and they become a truth in their own writing (Moran, 2000). It is important to keep that in mind when we see direct translations of words and meanings for example “as tu sachen”. If you speak German the meaning and its strength is given, if you speak English, the common translation “to the things themselves” makes sense but fails to capture the context of the expression. It is important to keep that in mind when relying of translated literature and always try to understand the linguistical context and power of the stated expression.

Phenomenology as a research philosophy seeks comprehensive understanding of phenomena. Phenomenologists define phenomenology as an enquiry method that strives to understand the meaning of the phenomenon being examined, through the study of lived experiences, recollections of the past and inner reflection of our perceptions about the phenomenon, in relation to the world around us (Morse & Richards, 2002; Steenbakkers et al., 2004). With this research focused on understanding how complex concepts and programs in subsidiaries are used and adopted in foreign cultures using an approach such as phenomenology makes sense. There is more than one meaning of phenomenology. The earliest wave of phenomenological understanding was based on the work carried out by
Husserl (1960). However, as Giorgi (1997, p. 306) points out, Husserl’s phenomenology was “a method of philosophical enquiry, not a scientific research method”. This led to other researchers suggesting that there were more to it and that phenomenology should involve not just description but also a degree of interpretation and understanding (Holt & Sandberg, 2011).

Strict followers of Husserl’s phenomenology don’t agree, they argue that a core underpinning of phenomenology is that of “as tu sachen” translated to mean “to the things themselves” (Van Manen, 2007). This shows, they argue, that phenomenological research should be strictly descriptive and that interpretations should not be part of phenomenology. However, Todres and Wheeler (2001) suggest that phenomenology without interpretation can become shallow. Other disagree and argue that yes, phenomenology can be interpretative (Morse & Richards, 2002). This disagreement continues to this date and we discuss phenomenology using two different understandings. That first understanding is referred to by the term descriptive (existential) phenomenology and the second understanding (which allows interpretations) is referred to as interpretative or hermeneutic phenomenology.

Descriptive phenomenology is more akin to the pure version of phenomenology that Husserl (1960) once described. For Husserl, the aim of phenomenology is the rigorous and unbiased study of things as they appear to arrive at an essential understanding of human consciousness and experience (Valle et al., 1989). It is an approach that allows the researcher to describe the phenomenon without putting it into a context. The description takes place before it has been reflected on and reflection only serves to put it into a context determined by the person that does the research and thus the essence of the phenomenon has been lost. We use the Greek word epoche to explain this. Epoche means to refrain from judgement or avoid preconceptions about things, actions or individuals (Moustakas, 1994). To do epoche means to rid oneself from all preconceptions, pre-assumptions and understandings of a phenomenon or at least bracket them and make them open and clear for oneself so that no bias will occur. This is described by Parse (2001),

“the process of coming to know the phenomenon as it shows itself as described by the participants” (Parse, 2001, p. 79)
This differs from interpretative / hermeneutic phenomenology. Here the researcher doesn’t need to bracket his experiences but can instead assign meaning to them as he understands them. Heidegger (1962) argues that meaning is created in a reciprocal way. Alvesson & Sköldberg (2000, p. 57) call this “the circle of aleuthic hermeneutics”. The circle acknowledges and encourages the researcher’s role in the interpretation of the phenomenon. Like Heidegger, the research by Van Manen (1990), a Canadian scholar influenced by the Dutch school of phenomenology, doesn’t agree with the descriptive phenomenologists view of bracketing. He suggests:

“If we simply try to forget or ignore what we already know, we might find that the presupposition persistently creeps back into our reflections” (Van Manen, 1990, p. 47)

He also suggests that the researcher’s pre-assumptions, his pre-conceptions cannot be forgotten but must be included and acknowledged in the research that takes place.

In this research, with the researcher having spent 15 years within the industry, the ability to act without bias, to bracket away all previous experiences, wasn’t possible. Instead the researcher believes that, as suggested by Heidegger and Van Manen, it is better if the researcher acknowledges his or her presence within the research because the researcher cannot help but be part of the meaning making processes that take place when the phenomenon is studied (Gubrium & Holstein, 2000). This researcher has been a management consultant specialising in IHRM. The researcher’s owned lived experiences, understandings of cultural and institutional contexts, pre-assumptions and prejudices are there and cannot be bracketed away. Instead, by acknowledging the bias, and incorporating the researcher’s lived experiences, those experiences can help shape the construction of the lived experiences shared by the participants.

Interpretative phenomenological research includes the expectation of two-way active interaction and dialogue, followed by reflection on the part of the researcher (Gubrium & Holstein, 2000). The active interaction and dialogue requires the researcher/interviewer to have a detailed understanding of the topic discussed, the living and working realities of the participants, and the institutional and cultural contexts. This allows the researcher to build trust and to make the participants feel that their experiences can be shared and discussed in-depth. The reflection process that follows this interactive discussion of the experiences and perceptions of the participants indicates the researcher’s active role in
interpretation of the data obtained to make sense of the conversation that took place earlier (Wimpenny & Gass, 2000; Conklin, 2007). This is further reflected in the axiological assumptions in the study. Therefore, the choice of phenomenology for this study must be that of interpretative phenomenology (hermeneutics).

4.3.3.1 Interpretative phenomenology

Having made the choice to utilise an interpretative phenomenology to answer the research questions the next question is why this choice was made. Given that the researcher feels that he can’t bracket his previous experiences, a Heideggerian tradition of phenomenology was chosen. But this was not just because of the belief that bracketing the previous assumptions and experiences is not possible. The researcher also believes that this is the best approach to exploring the phenomenon under study. Phenomenology values the meanings that individuals attribute to their lived experience, and it envisions reality as complex and multi-faceted. From those experiences, a pattern of information will emerge that needs to be understood by the researcher. This research, being multifaceted and complex, require the researcher to understand the experiences, contexts, motives, beliefs and thoughts that are shared by the participant. Such in-depth knowledge of the realities that the participants live in requires the researcher to be instinctively familiar with the context that has formed the experiences of those researched. Thus, to gain an in-depth understanding of the phenomena, an interpretative approach is most suited and the previous experience of the researcher can here make sense of the participants’ lived experiences and the context, making it the most suitable approach to answer the research questions.

With the sample population being Scandinavian, it is important that the researcher has an in-depth understanding of the Scandinavian culture and the context within which Scandinavians work. This helps in understanding the often-subtle meanings relayed through the participants’ experiences and perceptions so that the conceptual and practical nuances are noticed in order for the answers, experiences and perceptions to be interpreted accurately. A key concept of interpretative phenomenology is that the researcher is working together with the participant discussing experiences and perceptions, recognising and interpreting the contexts of where and what has happened without bracketing away his or her own bias or his or her own experiences. Thus, using an interpretative phenomenological approach allows this researcher to draw on his considerable topic experience within the field of IHRM and GTM. The choice of interpretative
phenomenology as the research methodology is thus made, since it allows the researcher to gain the in-depth understanding of the phenomenon under study without the need to bracket away prior valuable experience (Goulding, 2005).

To ensure that phenomenological research remains trustworthy Moustakas (1994) suggests that a researcher adhere to the following methodological considerations:

- Keep a strong focus on a holistic picture of the lived experiences described by the participants.
- Discuss experiences and find patterns of meaning among the lived experiences of the participants.
- Adopt a subjective approach to information gathering and acknowledge that the researcher’s previous lived experiences and assumptions will play a part in the investigation. Use “I” statements in the research where “I” is both the researcher and the participant.
- Explore in-depth relationships between people, structures, cultures, organisations and groups to identify patterns under study.

Using the interpretative phenomenological approach, adhering to the suggestions by Moustakas (1994), allows this researcher to explore and examine the participant’s own understanding of talent and TM without bracketing away his experience (RQ1). It also allows the researcher to investigate the perceptions of how identification, selection and development of talent happens within the subsidiary (RQ2). It also allows the researcher to understand and make sense of perceived challenges of the GTM program (RQ3). This investigation will thus not just investigate the perceptions, experiences and understanding that the participants hold, but it will also juxtapose them against the researcher’s own personal lived experiences. Creswell (1998) suggests that a phenomenological study explores the meaning of lived experiences for several individuals about a concept or the phenomenon. In the human sphere, this means an in-depth study where information and perceptions are found through qualitative research methods such as interviews and observation. The researcher will try to make sense of what data from such in-depth interviews reveals by deconstructing and reconstructing meaning together with participants, in their world. Bringing together meaning and forming a holistic picture of the phenomenon under study. This interpretative phenomenological approach assumes that the participants can be trustful participants and speak openly in the interviews. It
assumes that the researcher can be engaged and participating in discussing the lived realities that are reconstructed by the participants in the interviews (Conklin, 2007). In addition, the realities studied here are temporary, subjective and only valid for this person and at this point in time (Conklin, 2007).

4.4 Participant sampling and recruitment

Choosing the sampling strategy was one of the challenges for this research due to an assumed resistance among participants. This assumption was made not because of an assumed disinterest in the topic but because of assumed time constraints among potential participants. Recruiting participants usually presents a challenge but this was exaggerated since the timeframe for interviews was limited due to geographical distance. Therefore, the choice of an appropriate sampling method was carefully considered. This study aimed primarily to use purposive, non-probability criterion sampling but also employ snowball sampling. The addition, snowball sampling, was included as there was a risk that the researcher would not obtain enough willing participants for the study.

4.4.1 Purposive, non-probability criterion sampling

The primary sampling technique used for this study is a purposive, non-probability criterion sampling technique. This sampling technique which was used to identify the study participants was not one where participants were selected at random. Instead, participants were selected based on them being specifically knowledgeable, key informants, of the topic studied. Purposeful sampling is suitable because it actively seeks information-rich participants who can be studied in-depth (Patton, 1990). It is also recommended when there are few suitable candidates, since it allows the researcher to target specific participants who will contribute their experiences, perceptions and understandings (Seidman, 2006). This, target strategy, ensures that the participants have in-depth knowledge and experience of GTM programs within their organisation. They are the experts on the phenomenon being studied (Rudestam & Newton, 2001).

The selection of participants followed suggestions by Taylor and Bogdan (1998). First, start with the purposive “criterion sampling”. This means identifying those potential participants who have topic experience. In this case they need to have been actively involved in the GTM program within the subsidiary at a decision-making level. Second,
ensure that the participant is not known personally to the researcher. This is to avoid bias but also because participants who don’t know the researcher personally tend to give more open, honest and rich interviews (Taylor & Bogdan, 1998). Third, the participant should have ample time, be legally allowed to discuss the topic and feel at ease with discussing their experiences (Taylor & Bogdan, 1998).

The purposive sample method was chosen because these managers are fully knowledgeable about the organisation’s policies and practices regarding the GTM program. A GTM program is often a corporate secret and only those at managerial levels will know the full structure and practices and processes within it. This means that in a subsidiary the people that can contribute information about GTM programs are very few and usually at managerial level, either HR Manager or Regional Manager. Using purposive sampling is a common strategy in explorative research since it allows for identifying and accessing a sampling population that is limited in size (Kumar, 2005; Ritchie et al., 2003).

### 4.4.2 Snowball sampling

Complementing the primary sampling technique of purposive non-probability criterion sampling is snowball sampling. The decision to add a second sampling strategy was made because there was a fear that during the time spent in the field the researcher would not be able to get enough interviews. Snowball sampling is a strategy that allows researchers to ask participants to recommend other participants based on their own understanding of who would be suitable (Groenewald, 2004). Saunders et al. (2009) suggest the following modus operandi:

1. Conduct an interview with one participant,
2. Ask the participant to identify further possible participants,
3. Stop asking participants to recommend future potential participants when you see evidence of having reached point of saturation.

Snowball sampling, in this context, didn’t find any “new” potential participants, but it did help with introductions to already identified and contacted potential participants. In hindsight, there was no need to worry about obtaining enough participants, the numbers of participants that were introduced would have allowed for a much more extensive data collection. It is likely that this unexpected assistance was influenced by the fact that the participants felt the interviews were meaningful, that the interview were undertaken using
their mother-tongues and that the participants realised that, since the interviews were conducted by a fellow professional fully versed in TM, their experiences “made sense” and were fully understood. It is also likely that the interview was a good experience and that the participants felt that the phenomena discussed was worth theirs and others time. It is worth noting that the geographical context, Scandinavians in Asean, meant there were established networks of fellow senior managers that participants interacted with on a casual and professional basis, making introductions easier.

It is important to note that snowball sampling is also purposive, just like the primary sampling technique. Both allow the researcher to choose participants based on suitability with the assumption that the participants can offer rich, detailed insights into the phenomena under study. Thus, by asking participants to recommend other suitable participants who work with or manage GTM among Scandinavian subsidiaries in Asean the researcher still employed a purposive non-probability criterion. Snowball sampling has the advantage that, besides being helpful with recruitment of participants, it is flexible, lends itself well to subjective research and matches most qualitative research positions, among them interpretative phenomenology (Groenewald, 2004).

There is critique against snowball sampling. It is suggested that it fails to consider bias (Saunders et al., 2009). When the researcher asks participants to recommend someone they think will contribute and be interested in participating in the research it is not uncommon for them to recommend people that may have similar thoughts, worldview and shared experiences (Saunders et al., 2009). However, since in this case no new participants were identified, all introductions were made to people already identified and contacted, the risk of this particular bias is greatly diminished. Selection bias is thus unlikely to be an influencing factor in any of this study’s findings (Saunders et al, 2009).

4.4.3 Number of participants

With the objective of the research being to ensure that the researcher would obtain rich descriptions of experiences and perceptions, there was a need to consider what number of interviews were needed to obtain enough data. Within the interpretative phenomenological lens, the researcher attempts to obtain rich in-depth descriptions of experiences and perceptions and this allows the sample size to be relatively small. Smith and Osborn (2003, p. 54) suggest that “phenomenological research is usually conducted
on small sample sizes”, Rudestam and Newton (2001) concur but add that the samples should be small but offer enough depth and detail. Padgett (2008) argues that it is important for a qualitative researcher not to sacrifice depth for breadth. There is a reason for this: eventually the researcher will reach the point of saturation. More interviews won’t lead to more findings or more information, just more of the same findings and information. Jette et al. (2003) suggest that, if the researcher is an expert on the topic, the number of participants needed before point of saturation is reached is less than if the researcher is a novice or inexperienced within the research field. Having worked with the topic researched for many years this researcher can be considered a topic expert, thus reducing the overall number of interviews needed.

For studies using interpretative phenomenology, Cresswell (1998) recommends five to 25 interviews, Morse (1995) recommends a minimum of six interviews, Charmaz, (2006) states that for smaller projects a sample size of 25 should be sufficient. Mason (2010) studied 560 qualitative PhD dissertations and found that the number of interviews conducted varied between three to 60 and that the mean sample size was 31. With this in mind, this study set out to interview 20 – 25 participants. This number was chosen because it adhered to both Cresswell’s (1998) and Charmaz’s (2006) suggestions and also because it was anticipated that the number would be enough for sufficient patterns to emerge and for enough rich data to be collected. It is worth remembering that it is not the number of participants that is the most important in interpretative phenomenological research but instead how frequently and at what depth a phenomenon is spoken about by participants (Cresswell, 1998).

Having decided upon the number of participants, attempts to set appointments to conduct interviews commenced. Locke (2001) recommends that the search for participants continue until the point of saturation is reached and no new patterns or themes will appear from the interviews. Since the sample population was senior executives and the lead-time between first contact to interview often was months, this presented a challenge. What further complicated the search was that the interviews would take place, face to face, on a different continent. The risk of not getting enough rich data was real and the risk of senior executives cancelling set interviews was always present so there needed to be enough breadth and some redundancy built into the interview scheduling. This led to the researcher scheduling 14 interviews before flying off to collect data, hoping to schedule further interviews during the trip. There was a real worry that this number was too low.
However, through the help of introductions made using snowball sampling this worry proved unwarranted and there was no shortage of willing participants. In the end, interviews continued until point of saturation. In total 22 interviews were completed. Point of saturation was reached at 15. Despite no new themes emerging after interview 15, further interviews were conducted just to ensure that no further themes would emerge. Point of saturation is achieved when all new, raw data, fall under existing themes and new data no longer form new themes (Morse, 1995). Data in this case being the raw words participants articulated. It is worth noting that words cannot be saturated, only themes, since words will always be different across different individuals (Morse, 1995).

4.4.4 Participant recruitment strategy

The participants in this research were all identified as potential participants through lists provided by the respective Scandinavian government trade-delegations in Singapore. This approach is commonly used when researching Scandinavian companies not just in Asean but also across the world (Cordeiro-Nilsson, 2009). The lists were double checked to confirm that all potential participants were holding managerial level positions and in charge of talent within their subsidiary or within a larger geographical area covering more of the Asean countries. Thus, the participants in this study all have direct involvement in employment of GTM programs at subsidiary level allowing for rich and detailed data to be collected. The participants, all interviewed on a one to one basis, were all PCN, this was not something deliberately sought after but it is likely to be reflective of what senior management looks at within Scandinavian subsidiaries of MNEs in Asean.

After identification, an email was sent to all identified potential participants. Some offices in Singapore forwarded the request to the HQ and suggested that it would be more appropriate to look for participants there. In those cases, the researcher paused. The first email generated very few positive replies. Thus, further follow ups and a change of strategy were needed. First a translated email, translated to the assumed mother tongues of the participants with identical information, was sent. Then a follow up telephone call where the researcher called the contact person and spoke with him/her in his or her native language was made. This helped with generating interest, and the interview scheduling commenced. Directly engaging with the Scandinavian contact person, using phone not email, in his or her native language was a must to secure interviews. When the researcher tried to communicate in English he didn’t have much success. Participants later stated
that this was likely due to a “gatekeeping” PA or EA. The PA or EA in practice control access and emails and is unlikely to act upon an email requesting participation in a research project. However, an email written in the manager’s mother tongue was in this case more successful since it allowed the researcher to bypass the “gatekeeper”. I believe fellow researchers would benefit from keeping this in mind when contacting potential participants who hold senior management positions. Using native language from the start helps with not just securing the interview but also in building trust.

Having made the managers aware of the project, they were given the opportunity to participate. The companies that the participants represented were diverse from many different sectors. It was also checked that all companies were present on at least two continents and all had more than 50 employees in ASEAN (see Appendix II for profiles of the participating MNEs).

4.5 Data collection method

Guided by a qualitative methodology and an interpretative phenomenological philosophy interviews were chosen as the data collection method since they were deemed to be the most rewarding medium of enquiry. Interviews are one of the most utilised ways to investigate and understand human perceptions, experiences and behaviour (Denzin & Lincoln 2005). Within the interpretative phenomenological framework, dialogue is expected to be enhanced by the researcher’s own immersion and understanding of the context that the participant lives and works within. According to Shneiderman and Plaisant (2005), interviews can be a very useful tool for the researcher since he or she can pursue specific issues, probe in depth about specific topics and ask follow-up questions. According to Kvale (2007), interviews allow the researcher to go beyond the spontaneous exchange of everyday discussions to a planned questioning and listening exchange. Van Manen (1990) suggests that first person narratives are the most common way for humans to share their experiences, perceptions and reflections. When a participant chooses to share information, through dialogue, an internal choice is made suggesting that this information is of specific importance to share. Seidman (2006) suggests that when the participant chooses to share an experience they will reflect on the best words that can be used to describe it, so that they can capture the essence of what they wish to portray. They
will consider in what order and with what details they will present the information so that the experiences make sense to themselves and to the researcher.

To connect with the participant, and make the dialogue one where the participant is encouraged to share experiences, the researcher needs to have a degree of understanding of their context, so that he or she can contribute to the experience and interpret the essence of the information received (Van Manen, 1990). Doing this through interviews allows the participant the opportunity to conceptualise and explain experiences, perceptions and beliefs through a process of reflection and articulation (Yin, 1994). Interviews with a fellow topic expert allow the participant to view their own action through a reflective lens where they discuss the matter with a second topic expert, allowing rich, detailed descriptions to emerge (Yin, 1994). Thus, the choice of interviews as the method of inquiry is suitable for this research project, as evident by Jones (1985, p. 45),

“In order to understand another person’s constructions of reality, we would do well to ask them... and to ask them in such a way that they can tell us in their terms (rather than those imposed rigidly and a priori by ourselves) and in a depth which addresses the rich context that is the substance of their meanings”

The relationship between the researcher and the participant is an important facet of an interview. In many research philosophies, there has been an emphasis on the importance of objectivity (Patton, 1990). When the researcher stays objective, it ensures that validity and reliability is achieved. However, within interpretative phenomenology the objectivity of the researcher is not considered possible. Instead the experiences that the researcher brings allow him/her to engage and immerse in the participant’s experiences without bracketing away the researchers own values. It has been found that this practice carries substantial benefits when a researcher wishes to understand the experiences and perceptions of a participant (Denzin & Lincoln, 2005; Miles & Huberman, 1994, Yin, 1994). Lofland et al. (2006), stress the importance of employing insider knowledge, skills and understanding of the phenomenon under study since it enables the researcher to be part of the process and not just an objective listener, ensuring that data reflects the true and unhindered experiences of the participants.
4.5.1 Structure of the interviews

Interviews can take many forms; face to face, telephone/videoconference, group interviews (often in the form of focus groups) or through emails (Punch, 2005). This study undertook face to face interviews. Face to face interviews were chosen since they provide the researcher not just with verbal communication but also with non-verbal communication such as body language and facial expressions. It has also been argued that using methods such as telephone, video interviews or group interviews reduces the ability to gain in-depth answers since this impersonal setting doesn’t allow the participants to feel comfortable enough to share experiences at depth and in substantial detail (Punch, 2005). With this study undertaking research on a different continent, the choice to interview face to face carries considerable costs, but it was deemed the most appropriate data collection method since interviewing using telephone or for example skype increase the risk of the researcher missing out on non-verbal communication. An added advantage with face to face interviews is that it creates trust and builds a relationship between the researcher and the participant. Building a relationship between the researcher and the participant helps the participant feel comfortable and secure which provides a non-threatening setting for the interview, something recommended when a researcher needs to obtain the participant’s in-depth experiences and detailed perceptions (Lee, 1999). This meant that despite considerable practical and financial obstacles face to face interviews were the preferred choice of data collection.

Another interview choice is that of interview structure. There are three main structures of interviews. Unstructured interviews, semi-structured interviews and structured interviews. The interview structure also guides the form of interview that can be undertaken.

<table>
<thead>
<tr>
<th>Structured Interviews</th>
<th>Semi-Structured Interviews</th>
<th>Unstructured Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standardised interviews</td>
<td>In-depth interviews</td>
<td>In-depth interviews</td>
</tr>
<tr>
<td>Survey interviews</td>
<td>Survey interviews</td>
<td>Group interviews</td>
</tr>
<tr>
<td></td>
<td>Group interviews</td>
<td>Oral or life stories</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Historical interviews</td>
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*Figure 4.1: Structure of interviews (Minichiello et al., 1995, p. 62).*
In Figure 4.1, on the left side of the continuum, we can see that a structured interview uses a set of pre-determined and standardised questions. On the right-hand side of the continuum, we can see that unstructured interviews use unplanned open-ended questions that attempt to probe for narratives, often historical or life stories. In the middle sit the semi-structured interview which is the structure this research will use. The choice of semi-structured interviews was made because it provides the freedom to both probe further into specific interesting phenomena and also the ability to keep control over the subjects and the order of questions (Lee, 1999; Sutcliffe, 1999). DiCicco-Bloom and Crabtree (2006, p. 315) suggest that in-depth semi-structured interviews are “the most widely used interviewing format for qualitative research”. They further suggest that the interviews can take between 30 minutes to several hours.

Using an in-depth semi-structured approach allows the researcher to probe deeply into the experiences shared by the participant. Minichiello et al. (1995) suggest that, when using an in-depth interview, there is an egalitarian concept of roles in the interview that focuses on the informant’s experiences using a language that’s natural to them. Minichiello et al. (1995, p. 68) provide several situations where in-depth interviewing can be used:

1. To gain access to and understand activities and events that the researcher cannot observe directly,
2. To understand specific subjective experiences in the participants life.

As this research seeks to gain an understanding of the experiences of the phenomenon from the participants’ view, an in-depth interview strategy was chosen. By adopting an in-depth semi-structured interview, the participants are allowed to explain their constructed and subjective experiences from within their interpretations of social reality. This fits very well with the interpretative phenomenological approach that this research has chosen. Also, with a topic that is exploratory in nature, in-depth interviews are typically used to research the phenomenon (Polit & Hungler, 1999). Thus, the method of enquiry chosen for this research is an in-depth semi-structured interview.
4.5.2 Interview bias

With in-depth semi-structured interviews being subjective specific measures need to be implemented to ensure that the risk of bias is reduced (Hussey & Hussey, 1997). Hussey and Hussey (1997) identify the risk of ‘informant/respondent bias’, that is, a bias where participants may attempt to provide good and suitable answers, so called “acceptable” answers, rather than the unbiased truth. Ackroyd and Hughes (1992) agree and suggest that the problem of artificiality (informant/respondent biases) can to be controlled through the structure of the interviews. In this research, the interview structure is constructed beforehand and it has been validated by a senior academic before commencement of data collection rendering the risk of informant/respondent bias minimal. The presence of the researcher as interviewer can also affect the answers, in some cases the presence can feel intimidating and thus affect the answers. Interviewer bias can affect the research since the interactive setting of an in-depth semi-structured interview allows the researcher to unknowingly influence the participant in a certain direction through wording and questions (Mason, 2010). Gardner (1996, p. 56) suggests that during the interview process it is hard for the researcher to have control over bias and the “selective interpretations of the evidence collected”. In order to create a form of internal validity, additional clarifying questions can be used during the interviews. They can take the form of “so what you’re saying here is that…” or “if I understand you correctly this is what you mean with…” (Cresswell, 2009). Another issue to control and be aware of is that depending on the sequence of questions and the sequence of interviews, issues raised and explored may change and alter the answers if not carefully monitored and a set structure is not followed. The use of semi-structured interviews helps to minimise this risk (Arksey & Knight, 1999).

4.5.3 Data collection instrument

With this research being exploratory and using qualitative methodology open-ended questions in the data collection instrument were used. Such questions give participants the opportunity to respond in their own words, rather than limiting them to preconceived answers thought up by the researcher. Open-ended questions may generate answers that are culturally salient to the participant, unanticipated by the researcher and rich in data and explanatory in nature (Patton, 1990). To construct the questions used in the data collection instrument some common themes, based on both literature and personal
experiences of the researcher, were developed. From these themes research questions were formulated. In this case, there were six main areas that the interviewer decided to ask questions about:

1. Talent management program perceptions
2. Challenges and barriers to GTM work
3. Practical TM work; identification, selection and development of talent
4. Adaptation of TM to local conditions
5. What and who the participants consider to be a talent
6. Retention of talent.

Minichiello et al. (1995, p. 88) suggest various techniques (Table 4.3) to be used when constructing the questions for a semi-structured in-depth interview.

<table>
<thead>
<tr>
<th>Technique (Theme)</th>
<th>Example of what that might be</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic Questions</td>
<td>Serve as ice breakers and ask non-threatening personal questions that don’t require analysis by the participant.</td>
</tr>
<tr>
<td>Descriptive questions</td>
<td>Discuss the information broadly, following the topics that the research questions state. Open ended questions.</td>
</tr>
<tr>
<td>Contrast questions</td>
<td>Allow the participant to make a comparison of their social reality with the world. Discuss different realities.</td>
</tr>
<tr>
<td>Knowledge questions</td>
<td>Understand and determine the facts that the participants have experienced.</td>
</tr>
<tr>
<td>Probing questions</td>
<td>Used to elicit information more fully than the original descriptive questions.</td>
</tr>
</tbody>
</table>

It is important to note that these techniques do not indicate the order that questions should be asked in. In this research, demographic questions will be asked in the preamble, but the other themes of questions, “techniques”, will be mixed and asked where suitable. The first four themes of questions are standard in interviewing and used to gain a good overall picture of the experiences of the phenomenon that the participant has had. However, the fifth is more specific. It differentiates in-depth interviewing from other interview techniques since it allows for clarification (Minichiello et al., 1995). The probing questions allow the researcher to go back and further probe on specific questions or
experiences deemed to be of specific interest. It offers the researcher flexibility and allows him or her to control the topics discussed.

When it comes to the interview itself, Kvale (2007) identifies nine types of conversational questions that he recommends a qualitative researcher to consider when conducting an interview. Kvale (2007) does not however specify that all of these nine types need to be asked in every interview, or the order they should be asked in. Instead these are seen as a recommendation for what kinds of questions may be included in the data collection instrument. The nine types of questions Kvale (2007) recommends are:

- **Introduction questions** – Who are you? Can you tell me about your work? Through these questions the topic is introduced and trust created.
- **Follow up questions** – Through these you can elaborate on the initial answer in order to gain more detail or depth. Questions like: What does that mean in real life?
- **Probing questions** – You can employ direct questions to follow up what has been said and to get more detail. Do you have any examples of this?
- **Specifying questions** – Specific details about a particular happening. For example, what was the reaction from staff when you cancelled the extra month bonus salary?
- **Direct questions** – These are closed questions that are answered with a yes or no. For example, does your company use a GTM program?
- **Indirect questions** – These are asked to elicit the experience of the participant. Questions such as what’s your opinion, does the GTM program work within an Asian context?
- **Structuring questions** – These bring the interview back on track or help move it to the next theme. For example, moving on to localisation about management, is that a good strategy and if so why?
- **Silence** – Using silent breaks and pauses can suggest to the participant that you want them to expand on their answers
- **Interpreting questions** – These are not commonly used but if you hear something interesting as a part of a larger answer, you may interrupt and ask, about that particular point specifically.
This research adhered to the techniques that Minichiello (1995) suggests and also add parts from Kvale’s (2007) suggestions when constructing the data collection instrument (Appendix VI). This ensures depth and detail in the interviews and that participants are asked questions that provide them with the ability to reflect and consider their experiences and perceptions. Kvale’s (2007) recommendations allow the researcher to quickly zoom in when an interesting answer is given, to probe further, with follow up, probing and interpreting questions. More importantly it allows the researcher to stay quiet so that further detail may emerge from the participant. That will help the researcher, since it allows for richer, more detailed data to be collected. The ability to immediately ask follow-up questions or even interrupt when something of particular interest is mentioned is something that interpretative phenomenology allows. This is because the researcher plays an active part in the interview and isn’t just an objective listener.

The questions asked, the data collection instrument (Appendix VI), were constructed with the themes in mind include questions concerning experiences, perceptions, cultural behaviours, opinions and values, feelings, knowledge, and background/demographic questions. Through the interviews the funnelling approach was used. The funnelling technique allows the researcher to control the flow and type of information, initially of a general and broad nature, and then moving towards a specific line of questioning as the interview progressed (Minichiello et al., 1995). This builds trust but also allows the interview to start in a place where the participant doesn’t feel intimidated.

General questions in the beginning of an interview allow the participants to consider phenomena on a non-personal level. Patton (1990) suggests that you start with background demographic questions and this research will follow that suggestion. The first questions are thus of a basic, non-threatening and personal nature in accordance with Patton’s (1990) suggestions. The questions are there to allow the participant to start by thinking in general terms and to provide the background of who they are and what they do. Below are examples of such questions from the data collection instrument:

- Tell me about yourself, where you work, your background and how long you have been in Asia?
- Can you describe your local organisation for me, size, geographical footprint, main tasks and challenges? Changes to it over time?
These are broad questions intended to open up the conversation. Should the questions be simplified, that allows the participant to answer briefly and it may hinder the start of the conversation and the feeling of comfort for the participant.

These early introductory questions are followed by open ended questions about themes on a descriptive and impersonal level. Below are examples of such questions from the data collection instrument:

- What perceived difficulties do Scandinavian MNEs in Asean face when they develop talent?
- What characteristics does Asean talent possess?

This is then followed by more guided probing questions where the researcher probes about specific themes, experiences or perceptions for more detail. Below are examples of such questions from the data collection instrument:

- How do you develop talent? What tools are used and who controls the budgets?
- Do you find Asean talent similar to Scandinavian talent?
- Do you think your company’s country of origin influences the design of your talent management program? If so, how?

Here questions are more specific and they will be followed up by direct questions about specific experiences and perceptions, probing experiences further. In total, the data collection instrument contained 19 questions and, while often not all were needed to be asked, the participants tended to answer several in one go, there was a guiding instrument that ensured all participants were asked a set of common questions. Based on this set of questions follow ups and probing questions helped to dig deeper and get richer detail of specifically interesting experiences and perceptions.

4.5.3.1 Pilot study

To test the data collection instrument a pilot study was conducted. This is something that’s recommended to ensure the quality of the research process (Bloomberg & Volpe, 2012; Patton, 1990). Conducting a pilot study when research is exploratory, as this
research is, can assist the researcher with the research process, ensuring that the techniques used are appropriate and function as intended and that the research methodology is robust. It is also a tool that helps solidify the trustworthiness of the research (Miles & Huberman, 1994). With this in mind a pilot interview was arranged for this research project. The pilot’s main function was to test for weaknesses in the research process / data collection instrument (Kvale, 2007). It is thus important that the researcher finds a participant for the pilot interview whose characteristics are similar to those of the participants the researcher aims to interview in the actual study. This researcher conducted the pilot interview face to face with a former colleague who is now HR Manager for a large Swedish MNE in Pacific-Asia. The participant was informed that the purpose of the interview was to conduct a pilot interview and that the responses would not be part of the research findings.

Conducting a pilot interview allows the researcher to search for potential issues, limitations, or other shortcomings in the research design and if any are found revise the research design before data collection begins (Kvale, 2007). In this case the pilot interview identified several small issues that the researcher could improve. The first was localisation of management which was discussed at length. Localisation was not expected to be a major theme of the research but since it formed a central part of the discussion the researcher decided to expand the questionnaire and add questions about it. The second point, a discussion about the struggle for TM resources, was also highlighted in the pilot and this issue was subsequently incorporated into one of the interview questions. These changes are expected to lead to a better understanding of subsidiary TM and to help provide richer data to give a holistic view of the phenomena.

There were also minor amendments to a few research questions. For example, a question such as “What are your perceptions of GTM programs?” was amended since TM program in literature means one thing but to the participant it can have a very different meaning and it sounds rather formal to ask about perceptions. Instead a more relaxed and collegial vocabulary was used. Thus, the question instead became, “Can you tell me about your experiences with GTM programs, how do you find them?” The pilot study resulted in small correction that ensured the questions were relevant and understandable from the participant’s point of view.
The pilot also identified that at least ten minutes of the interview was spent on ice breaking communications such as welcoming, requests for coffee and small talk about location, career and person. This cannot be done away with, since it builds trust and helps create an atmosphere of comfort and shared experiences. To mitigate the loss of interview time, a strategy that involved the creation of a basic questionnaire (see Appendix 1) asking questions about the participant was constructed. The questionnaire was handed to the participants who filled it in while the small talk went on. This allowed the researcher to utilise the time more efficiently.

4.5.3.2 Interview flow

The interviews started with small talk but after some introductory icebreakers, the preamble, the researcher turned the attention to the topic at hand. There was first an explanation of the project followed by a request to audiotape the interview. All requests to audiotape the interview were given together with an explanation of why this would be helpful to the research and how the interviews would be handled. While this information had been given to the participants on their “participant information sheet”, it was felt that a repetition would be trust building. All participants gave their permission to be audiotaped and they were also told that they would be given an opportunity to comment on the transcriptions made. After the permission to audiotape the interviews was obtained the next question was language. The researcher asked the participants if they wanted the interview to take place in their mother tongues or in English. With the researcher being fluent in Swedish and Norwegian those languages posed no problems, however Danish participants were given the opportunity to use an interpreter should they wish to conduct the interview in Danish. All participants were fluent in English and worked in an English-speaking corporate environment yet no Swedish or Norwegian wanted the interview to be held in English. All of them chose their mother tongue. This was different with the Danes who, in the face of communicating through a translator, preferred to communicate directly with the researcher in English. The choices made by the participants were adhered too.

This researcher also tried to find the right setting for the interviews. If possible, interview participants were asked to meet the researcher in a neutral venue away from their office. This advice is good but not always possible to follow when you interview senior management. In the cases where participants requested that the researcher would meet
them and conduct the interview at their office, their wishes were adhered too. The setting should be tranquil and the participant should have the time and space to relax and undertake the interview in a place that does not feel threatening. It is important to show respect for the person being interviewed and to start by calmly introducing the researcher, the project and conduct some icebreaking talk (Kvale, 2007). Respect also means that the researcher needs to dress appropriately, in a suit, and arrive a minimum of ten minutes before the set time. There should be water available so that the participant can drink while answering questions. This follows the suggestions of Kvale (2007), but the dress code is based on the researcher’s own experience of working within senior management in Asean. To be taken seriously you need to look, speak and act seriously.

4.6 Data analysis

Qualitative data analysis is an iterative process, not a linear one (Eisenhardt, 1989). It is a time consuming and demanding process that requires the researcher to be reflective, thoughtful and ready to revisit themes and modify initial ideas and thoughts (Yin, 1994). In qualitative data analysis, the iterative process continues until the researcher has reached a situation where no new information or themes emerge, this is commonly referred to as point of saturation (Eisenhardt, 1989). The purpose of a qualitative analysis is to identify structure and meaning in the data collected (Bloomberg & Volpe, 2012). It is recommended that the researcher constantly reflect on findings that emerge so that the findings are truthful and describe the real view conveyed by the participant (Bloomberg & Volpe, 2012). An analysis of qualitative data uses several sequential phases. There are many ways to do this and each researcher tends to follow a path that’s suitable to their project. In this case, the researcher decided to incorporate a framework developed by Marshall and Rossman (2011) to assist with the data analysis. It is a framework developed within phenomenological research and it has been used in descriptive phenomenology, interpretative phenomenology and transcended phenomenology. Cresswell (2009) suggests that all phenomenological data analysis projects must consider that every phenomenological research project is unique and thus customise data analysis to the project. Projects should adapt research protocols accordingly and ensure that the data analysis technique considered is customised. The steps that this researcher followed are based on Cresswell’s (2009) data analysis framework. These were:
1. Organising data – the preparation for the data analysis, transcription, typing up of field-notes and sorting and arranging the data (Cresswell, 2009).

2. Immersion in the data / Data familiarisation – Reading the material and reflecting on it (Cresswell, 2009).

3. Coding – Organisation of the data into categories that correspond to and are descriptive of the phenomenon discussed. This is the first part of the data analysis and it is done using NVivo software (Cresswell, 2009).

4. Construction of main nodes / themes used in the analysis – This involved generating the main themes, subthemes and first order codes into patterns that will serve as headings in the findings section. Here the researcher identifies the main themes and experiences and focuses on the meaning that the participants place on their experiences through their narratives (Cresswell, 2009).

5. Conveying the main findings of the analysis – The researcher conducts a detailed discussion of the findings, complete with subthemes, multiple perspectives and quotations (Cresswell, 2009). A detailed discussion is found in Chapter 5.

6. Interpretation of the findings – The researcher interprets the data and adds meaning to the themes, categories and patterns developed. The researcher develops linkages that explain the analysis to the reader (Cresswell, 2009). A detailed discussion is found in Chapter 6.

The choice of the data process framework was made because using one allows the researcher to explicitly draw conclusions in relation to the phenomenon under study. Due to the systematic analysis that takes place the use of a data process framework allows the researcher to establish and demonstrate links between the phenomenon under study, the main themes and the findings in a way that allows the voice of the participant to be heard. Using a data process framework ensures that the analysis is trustworthy and rich in depth and detail, it also allows findings to be understandable and accessible to non-experts (Miles & Huberman, 1994).

4.6.1 Organising data – preparation for data analysis

All interviews were recorded and then uploaded to the researcher’s computer. There were 22 interviews in total. The interviews were first transcribed and translated into English.
Three of the transcripts and translations were sent to a translator to verify the accuracy of the translations. The transcripts were done reasonably soon after the interviews, something that keeps the interviews still fresh in the mind of the researcher and allow him/her to add field notes to them, something that adds detail and richness to the data (Yin, 2002). According to Yin (1994), audiotaping and transcribing is time consuming but it helps to avoid misrepresentation bias since the process preserves an accurate record of any interview. With that said, audiotaping interviews is important but it does not always provide the full picture. It should be complemented by notetaking at the interview stage, so that expressions can be noted and pauses, facial expressions, tones and the volume of the speech can be considered (Robson, 2002). One example of this is when participant 9 answered a question with the word “visst”. “Visst” is Swedish and in English it is translated to “sure”. But “sure” can be said in different ways, using different tones and, in this case the, “visst” didn’t mean sure but “yeah right”, something that the tone and the facial expression clearly identifies. It is thus vital that the researcher combine the audiotaping with notetaking and ensure that the notes are reflected upon in the transcriptions (Henn et al., 2006).

The tapes were transcribed and then translated to English from the language chosen by the participants. The transcriptions were then transferred into documents. After that I listened to the tapes along with the text, comparing the two to verify that the text had been transcribed accurately. The benefit of doing this, reading and listening to the data again, is that it allows the researcher to make sense of the information given and provide him/her with an idea of the main themes (Cresswell, 2009). During this time, I paused, replayed and reflected on key parts of the interview several times, re-experiencing the interview and reconsidering the nonverbal communication I had received through facial expressions and gestures. This process is important since it doesn’t just check the transcripts and the translations for accuracy but it also assists the researcher in making sense of the data. It allows the researcher to generate a broad picture of the main experiences and perceptions that the participant has conveyed. The participants were then sent the transcriptions for verification, asking if something was incorrect or if they wanted to add or change any information. This is important since it allows the participants to review their statements and, if they agree, it serves to ensure the truth value of the data (Cresswell, 2009). It reduces the risk of misinterpretation bias further (Yin, 1994). It also allows the participants to remove any identifiable statements or statements that may be covered by corporate non-disclosure policies.
The interviews took between 35 minutes to one hour to conclude and they were planned to take between five to eight hours to translate and transcribe. However, in reality, translating, finding the most appropriate translation from Scandinavian languages to English so to keep the essence of the meanings of the lived experiences, proved to be a task that took much longer than expected. Specific expressions that Scandinavians use but to which there are no direct translations in English proved to be time consuming to translate. For example, participant 9 answered using a few words on a follow up question about how he/she liaised with HQ to obtain budgetary approval and the requested allowances for inpatriation projects. The answer was in Swedish, “Man måste gasa järnet”. A direct translation into English of this would be “one must accelerate iron”, and, if one were to try to find an expression with similar meaning in English, the expression “go for it” might be suitable. But in relegating an important quote like this to just “go for it”, which is an accurate translation, the essence of what the participant is expressing is lost. “Go for it” fails to capture the full meaning of this comment and the value the participant place on it.

What the participant expressed was not just that they requested for all required funds from HQ, like the expression “go for it” might signal. Instead, the meaning of what the participant is saying is that when you discuss budget, scope and context of inpatriation you must present a clear justification for the proposal and align it to HQ GTM policy so that the HR function at HQ is on board with it and willing to commit the time, money and resources needed. It expresses the need for the subsidiary manager to commit 100% to selling in the project despite inpatriation being an integral part of the GTM program used at this company. What’s also insinuated is the conflict for scarce resources that takes place between HQ and the subsidiary. This means that, unless the researcher was very well versed in Scandinavian linguistics and Scandinavians’ ways of communicating and expressing themselves, it would be difficult to fully grasp the importance of what was just said and the value (competition for scarce resources) that the participant placed in the comment.

These small nuances are apparent to a native speaker but often get lost when a translator helps with transcribing the interviews. Many similar challenges made transcription and the reflection that takes place when translation occurs time-consuming, but also rewarding. Finding the appropriate translation meant that the first reflection took place
and ideas for themes quickly emerged. It also meant that the immersion into the lived experience of the participants commenced as soon as transcription started. Transcribing and translating was helped by the fact that the researcher had not just experience from Scandinavia but also in the profession and in the geographical context in which the participants worked. This allowed the researcher to better interpret and understand the experiences, expressions and information conveyed by the participants.

4.6.2 Data immersion

The researcher read through the transcripts, adding notes, trying to seek out the true meaning of the participants’ experiences. Reading and reflecting on the material allows the researcher to get a holistic view of the general themes and perceptions held by the participants in the research (Creswell, 2009). This stage is one of pre-analysis, themes start to form and thoughts about meaning of narratives are written down using the note function in NVivo 10 (Marshall & Rossman, 2011). In this research, the material was read repeatedly until the essence of it was grasped. The main thoughts were then written down and sent to what best can be described as an auditor, a senior academic with experience of qualitative research, whose task it was to read through the transcripts and see if the important themes had been identified. This audit served as a tool to ensure the trustworthiness of the research and that the researcher’s own possible bias was not affecting the analysis of the data (Saunders et al., 2009). In this phase underlining key parts and preliminary grouping together themes may occur. It is also important to link the information to the research questions and objectives.

4.6.3 Coding

The coding process is about creating a system of classifications which helps the researcher organise data. The coding process is one of reduction where large quantities of data are reduced and categorised in accordance to their attributed meaning. Coding aims to organise text into themes and subthemes. The coding, the reduction, took place because the researcher wanted to reduce the data and create patterns and topics based on it. The researcher followed Tesch’s (1990) data coding process:
1. Read the transcripts and note potential topics and emerging patterns, compare this with literature / researcher experience and consider suitable themes.
2. Start with one to three interview transcripts, read through them asking what the most important experiences, perceptions and examples are and make note of these points, they are the first codes.
3. When this has been done enough times and with enough transcripts and no new topics emerge, make a list of all identified topics, these are codes.
4. Use the codes to find experiences that are similar, cluster them together into nodes/themes.
5. Find a descriptive word for each node, these words are the names of the themes that the researcher will work with. Look for ways to reduce the number of themes by grouping similar themes together into theme and subtheme and subcategories of the theme.
6. Read through the themes, find a suitable word that describes each theme and ensure that it fully covers all themes and subthemes.
7. Place all material that belongs under each theme together using Nvivo 10.
8. If necessary, recode the data.

The researcher had at first identified potential themes in literature. After having completed three interviews he familiarised himself with the data, reflecting on what was being said and the meaning behind it. Then transcribed the files into MS word followed and after that translation of the words into English occurred. This process allowed the researcher to become intensely familiar with the data, since translation required the researcher to immerse himself in the material and at depth understand the essence of all that was said. Translating, is almost a form of analysis since the researcher had to try to convey the correct words and not just translate the sentences into English. This helped with the construction of the first preliminary themes. The first five themes were identified in literature while the following two were identified from the scripts. This led to the following first themes being constructed and used.

1. Talent management perception
2. Usage of TM program
3. Talent development
4. Talent identification
5. Talent selection
6. Perceptions of local context
7. Facts about the local organisation

While the seventh node was meant to capture descriptive information about the organisation, for example size and geographical context as asked about in the preamble, the others were intended to capture the thoughts, perceptions and experiences of the participants.

4.6.3.1 Usage of Nvivo 10

The transcribed interviews were then uploaded into Nvivo 10 where the data analysis would begin. NVivo 10 is a computer software program that is commonly used in qualitative research (Bazeley, 2007). It allows the researcher to work with large quantities of data and from it gain insights into nodes and build central themes (Tharenou et al., 2007). There is other software that can be used for the same purpose, but the choice of NVivo was made since it is used extensively in qualitative research, software licenses were owned by AUT and the researcher had familiarity with the software from previous projects. NVivo also provides the researcher with the capability to visualise the authenticity of the collected data and thus the research (Smyth, 2006), something that assist with the evaluation of the quality of the research.

Some qualitative researchers have criticised the usage of computer software for data analysis, saying that, in the interpretative paradigm, it might turn the analysis, and especially the coding part, into a standardised procedure rather than a process of analysis. They suggest that, instead of trying to immerse themselves in the experiences of the participant, researchers will start looking for nodes and themes and thus forget to take context and situational factors into account when they complete the analysis (Denzin & Lincoln, 2005). This research aims to mitigate the risk of the analysis being driven by the software through a rigorous data analysis process that emphasises constant reading of and reflection on the transcriptions. The researcher, at substantial opportunity cost, chose to undertake the transcription of the interviews himself and, through the creation of a priori themes, main themes of the analysis were identified from the readings of the transcripts, the researcher’s field notes and the literature review (Robson, 2002). Bazeley (2007) asserts that, if a concept re-occurs in the transcripts, it may be a theme that the researcher
needs to be aware of. NVivo allows the researcher to import field notes using the memo function, something this researcher did.

### 4.6.4 Construction of main themes

In this research, the word theme represents the perceptions, examples, specific experiences and values of the participants that are grouped together under a short succinct descriptive text label created by the researcher. The text labels are not taken from the words or experiences of the participants but are instead created by the researcher so that they descriptively can represent the most important themes. Under each such theme are several sub-themes. They are units of meaning that are related to a theme (for an example of Nvivo coding and theme-subtheme, see Appendix VIII).

After the first few interviews had been translated and coded, it was apparent that further themes were needed. Usually themes were added when patterns of topics that participants found interesting to share and continuously returned to were identified. The addition of new sub-themes came from the researcher’s attempt to group the participants’ answers together into a coherent and more organised structure of contents that allowed clarity and oversight of the experiences that had been shared. This allowed the researcher to gain a better overview of the phenomenon and understand the significant themes and practices that emerged. The continuous coding of the data allowed the researcher to expand on the sub-themes and, when warranted, create new main themes. A new theme was added, for example localisation of management and amendments to the GTM program, when it formed a central part of the experiences the participants shared and many of their examples and answers centred upon it. As more and more interviews where coded, themes and sub-themes were added and gradually an image of the phenomenon and the lived experiences of the participants emerged. This process did not follow a linear path, instead the researcher had to go back and forth in the data and interpret and code further until the themes and sub-themes had been identified. This process led to further main themes being created (see Figure 4.2).
Names of main themes

1. Talent management perception
2. Usage of TM program
3. Talent development practices
4. Talent identification practices
5. Talent selection practices
6. Perceptions of local context
7. Facts about the local organisation
8. What is a talent
9. Who is a talent
10. Challenges for TM
11. Scandinavian “ways”
12. Expatriate management
13. Relationship between CHQ and subsidiary
14. Localisation of management

Figure 4.2: Names of main nodes

Within the interpretative research paradigm, it is helpful if the researcher uses what’s commonly referred to as “analytic coding” when themes are identified. This means that the researcher doesn’t just describe common patterns but instead derives coding from the interpretation of experiences shared by the participants (Babbie, 2007). Doing this allows the researcher to reflect on the transcripts and how the contexts, for example geographical or corporate contexts, influence the experiences and the perceptions of participants. This is recommended within interpretative coding processes while it is not something normally done in positivist coding processes (Babbie, 2007).

4.6.5 Conveying the main findings of the analysis

The main findings of the analysis are presented in Chapter 5. There the main themes are discussed in detail using examples and quotes from the participants. The discussion presents the main findings and supports them with quotes.
4.6.6 Interpretation of the findings

The interpretation of the findings is in Chapter 6. The interpretations are based on the researcher’s experiences which allow him to attempt to explain the experiences and perceptions of the participants. Here theoretical lenses are applied to the phenomenon and a discussion of the findings confirms previous literature, adds to it or diverges from it. It is important to note that, even if the findings diverge from literature, qualitative studies do not aim to generalise findings.

4.7 Research quality in interpretative phenomenological research

Evaluating what, in positivistic research, is referred to as the “reliability” and “validity” of a study is fundamental to assert the credibility of the research. However, within the interpretative research paradigm, researchers argue that, since the ontological and epistemological positions of research in the interpretative research paradigm differ substantially to those of positivist research, interpretative research should be evaluated using its own measures of quality and not those used by positivist research (Denzin & Lincoln, 2005; Sandberg, 2005; Scheurich, 1997). There is no common agreed form for measuring the quality of the research in the interpretative paradigm, but there is agreement on ensuring that qualitative research should show the reader that it has been conducted with rigour. Rigour within the interpretative phenomenology means that the researcher should demonstrate integrity, provide examples of his/her competency within the subject-field (Fereday & Muir-Cochrane, 2006). There are several scholars who provide an alternative to the positivist tradition of using validity and reliability to evaluate research, for example, Cresswell, 2009; Kvale, 2007; Lincoln & Guba, 1985; Miles and Huberman, 1994; Scheurich, 1997; Yardley, 2000. The most commonly used such alternative are that of Guba and Lincoln (1994) they suggest that, within interpretative research, quality should be evaluated using two concepts:

1. Trustworthiness,
2. Authenticity.
The focus is thus on whether the researcher has been truthful to the experiences of the participants. This is something that Kvale (2007) suggests needs to be achieved by constantly paying attention to the meaning that participants attribute to their lived experiences and ensuring that the nuances of the details conveyed are analysed. He calls this the craftsmanship of the researcher and argues that it is the quality of this craftsmanship that should be evaluated in the interpretative paradigm. Kvale (2007) also suggests that research should never be able to be reproduced since the lived experiences change over time and the participants have gained new insights into a phenomenon every time they get interviewed. He suggests that qualitative research is dynamic and that thus it is not suitable to evaluate reliability. Cresswell (2009) agrees and adds that there is no interest in generalisation of research findings within qualitative research, instead it aims for “particularisation”. While the qualitative research community seems to be in agreement that validity and reliability are not the best way to evaluate the quality of qualitative research, there are positivists who disagree with this (Bryman & Bell, 2011). None the less, this research will measure the research quality using the concepts, suggested by Guba and Lincoln (1994), of trustworthiness and authenticity.

4.7.1 Trustworthiness

Interpretivists have seen the need to evaluate the quality of their research differently than positivists (Bradley, 1993). In this case trustworthiness is one of the two main points that will be evaluated. Trustworthiness is important, it evaluates whether there is truth in the findings. Trustworthiness also evaluates whether the experiences of the participants are represented in a truthful way and whether the research processes and findings have been properly constructed (Groenewald, 2004). Guba and Lincoln (1994) suggest four criteria to evaluate trustworthiness in interpretative research: credibility, transferability, dependability and confirmability.

4.7.1.1 Credibility

Credibility ensures that the research is an “adequate representation of the constructions of the social world under study” (Bradley, 1993, p. 436). To achieve this, to provide confidence that the researcher has truthfully presented the phenomena under study, the researcher should follow several steps:
1. The adoption of well-established and tested research methods. This research uses semi-structured in-depth interviews and follows Moustakas’ (1994) suggestions when it comes to question building.

2. Developing familiarity with the cultures of the participants. This researcher has worked for 15 years in Scandinavian subsidiaries in ASEAN handling HRM and management duties. The environment is familiar to him.

3. Sampling strategy. It is suggested that some element of randomness be included in what usually are purposive sampling strategies. This research added the snowball sampling technique to add some randomness and thus reduce the chance that research bias will interfere the credibility of the research. Adding a second sampling technique has been said to help increase the possibility of randomness in qualitative research (Groenewald, 2004).

4. Triangulation. In this case triangulation of data will take place through the participation of participants from several organisations. If similar results emerge from several organisations this increases the credibility of the findings. Using sampling from different organisations to obtain a variety of experiences and perspectives provides a more stable view of reality. In this case sampling was sought from 22 participants, adhering to numbers stated by both Cresswell (2009) and Crotty (1998). Having seen a clear picture emerge showing similar results in regard to Scandinavian TM it is believed that the credibility of the findings was high.

5. Strategies to ensure that participants are honest. In this case the participants will receive assurances that they are anonymous and that the information will be confidential. Further they will be told that they at any stage of the research can withdraw from the project or withdraw specific statements.

6. Peer reviews. In this case a senior academic will be asked to review the data and provide feedback.

7. Participant checks. This will be done by asking the participant to read through and approve the interview transcript before it is used in the analysis.

4.7.1.2 Transferability

This check whether the findings can be transferred to other realities. While most qualitative researchers suggest that qualitative research cannot be transferred, others argue that some
transferability exists and that there are factors that make qualitative research more or less transferrable. Such factors are:

1. Thick descriptions of the phenomena studied, explanations using detailed versions of the experiences. In this research, all themes and findings are supported by rich quotes to exemplify and showcase the views expressed (see Chapter 5).

2. The size of the sample and the diversity of the organisations participants are sampled from. The diversity of organisations substantially improves transferability and Guba and Lincoln (1994) recommend that more than dozens of participants are needed. This research contains 22 interviews from more than 15 different industries.

3. Researcher, the more information that is provided about the researcher, his/her background, contexts and experience the more depth is there in the study. This study provided a brief introduction of the researcher (see Chapter 1).

4.7.1.3 Dependability

This should show evidence of the research being consistent over time, main researcher and analysis techniques. The processes employed to analyse data should be detailed in the research, there should be evidence showing that the processes are repeatable and the emerging themes and findings should be carefully laid out and any reflective thoughts be described in detail so that any peer that so wishes can follow the steps or, as it is referred to in literature, audit the work. This is adhered to and explained in Chapter 4. The same interview questions were used to ensure consistency.

4.7.1.4 Conformability

While it may be said, by positivists, that confirmability is not possible when the research philosophy is interpretative phenomenology, many researchers, for example Guba and Lincoln (1994), disagree with this. Qualitative research is not objective but instead is subjective. This means that there may be researcher bias, but that bias must carefully be explained by the researcher, through the choice of research philosophy and through the philosophical underpinnings of the study. Miles and Huberman (1994) suggest that a key to achieve confirmability is that the researcher admits his or her own pre-dispositions. Doing this allows any peer to audit the findings. In this case the research is subjective and
the research philosophy chosen is one that allows the researcher to openly state his own bias and allows that bias to be part of the creation of the experiences of the participant. To mitigate this, the researchers’ prior experiences are described in Chapters 1 and 4.

4.7.2 Authenticity

Using trustworthiness is to a degree a compromise between the quantitative traditions and the qualitative traditions. The four criteria in many ways try to resemble those used in positivist research – reliability and validity. Authenticity is different as it looks solely at qualitative methodology and aims to evaluate, not measure, the rigour of qualitative research. To do this it uses four criteria: fairness, ontological authenticity, educative authenticity and catalytic authenticity.

1. Fairness – fairness looks at whether the research allows multiple constructions of reality.

2. Ontological construction – looks at whether the participant’s experiences are helped by the researcher by providing greater understanding of the contexts they live within.

3. Educative authenticity – asks that the participant’s understanding of different realities be enhanced and assisted by the researcher.

4. Catalytic authenticity – looks at how the researcher’s actions inspire the participant to reflect and, if needed, act on their own perceptions and practices.

These four criteria have been incorporated in the research methodological choices where multiple realities are expected and where the researcher is not an objective listener but instead a subjective participant in the discussion of experiences. The first criteria was specifically met through the choice of research methodology, in the interpretative phenomenological context many realities are expected and each interview is expected to prove a specific lived reality. The second criteria was met by the researcher. Having spent a long time living in SE Asia working with HR for MNEs the researcher could assist the participants by providing relevant and correct contextual understanding where so was needed. Further the ability of the researcher to understand the various realities that face participants, depending on whom they interact with was enhanced by the researchers own lived contextual understanding and experiences, they allowed the participants to further understand their own various realities through relating to the experiences of the researcher. This ensured that the third criteria was met. The fourth criteria was met by the researchers
own ability to understand the lived experiences, discuss similar experiences, allowing the participant to reflect on their own practices. This led to the participants often returning to points already discussed and wanting to enhance or clarify parts further.

4.7.3 Ethical considerations

Throughout the research design process ethical considerations were taken into account. When using qualitative methodology and interpretative phenomenological research philosophy, the researcher seeks out the experiences, perceptions and meanings of the individual participants. This requires the researcher to consider points such as potential harm, anonymity, confidentiality, privacy, access to and treatment of participants, and the management and storage of collected data (Bryman & Bell, 2011; Cresswell, 2009; Saunders et al., 2009). This research has done considered all these things, guided by the ethical protocols and requirements set out by Auckland University of Technology. Before any contact with participants was made, the researcher applied for and was granted ethical consent to carry out the research (see Appendix VII).

Ethics is of extra importance since this research will be made public after its completion. With the participants all being in senior managerial positions within their respective organisations it was important to ensure that they felt comfortable with the ethical considerations offered and that they were duly informed of them. This meant that the researcher not only produced a Participant Information Sheet (see Appendix V) but also that each interview started with a repetition of the main ethical considerations, them being anonymity, confidentiality, privacy and access to data. This ensures that participants are not identified within the texts, instead a random numbered code, for example I12 (Respondent 12) is used. This helps to protect the anonymity of the participant while still allowing the researcher to utilise quotes from the participants. All participants were informed of their right to withdraw from the research, retract certain comments made during the interview or remove possible sensitive information during any stage of the project, even after the completion of the interview. Walker (2007) suggests that interviews should only take place after written consent of the participants, this meant that a Participant Consent Form (see Appendix V) was constructed and no interview took place unless the participant voluntarily signed the form. After conclusion of interviews two participants asked to have certain comments retracted which the researcher complied with. It is important to remind oneself that ethics is not just about protecting the
participants and their organisations, it can also help increase the trustworthiness of the research (Marshall & Rossman, 2011).

4.8 Summary of the chapter

The main purpose of this chapter is to explain and justify the research design and the underlying philosophies behind it. Choosing the design of a study is something that warrants careful consideration. This chapter has outlined the steps taken, justified them and explained why the choices were made. Using an interpretative phenomenological approach allowed the researcher to explore in-depth the phenomenon, the experiences and perceptions of the participants without the need to bracket away all the researchers’ previous experiences. The use of a theoretical framework to guide the philosophical underpinnings was a great support. The researcher stated early that he believed in multiple subjective realities, and the framework allowed the choice of research paradigm to become one that aligned to the researcher’s own personal beliefs. It helps enhance the trustworthiness and the authenticity of the research.

Figure 4.3: The research design (own design inspired by Grant & Giddings, 2002)
The research journey, the thoughts that have guided the researcher, can be summarised into Figure 4.3. The image symbolises the research journey. The interpretative paradigm, the interpretative phenomenology as research philosophy, semi-structured interviews as method and qualitative methodology circles the core, its choices having been guided by the research questions. The underpinning beliefs found in the epistemological, ontological and axiological assumptions are outside the core, influencing and guiding choices from a distance.

The sampling strategy and participant recruitment is discussed and explained in detail. Since the total participant pool was limited to Scandinavians with specific positions residing in Asean, the participant selection choices were carefully considered and redundancy were built into the recruitment processes in order to ensure enough that enough participants were willing to participate in the research. The chapter ends with the explanation of the data analysis and how this research will ensure its trustworthiness and authenticity. While this chapter discussed the methodological choices, the next chapter will discuss the findings of the study.
Chapter 5: Data findings and interpretations

5.1 Introduction

The previous chapters discussed the TM literature, the research methodology employed in this qualitative interpretative study and the context of the study. The primary purpose of this chapter is to analyse the collected data and present its findings. The objective is to present, describe and interpret data and present patterns obtained through the analysis of the semi-structured interviews conducted. The wider implications in terms of research and the existing literature are then discussed in Chapter 6.

This chapter consists of six major parts. The first part, the introduction, is divided into two parts, the first part starts with a discussion about the main organisations and people who were interviewed. It will provide a brief profile of the organisations, their size and geographical footprints. The second part discusses how the analysis was undertaken and provides a brief recapture of the research questions. The third part and the beginning of the main part of the chapter goes on to discuss what and who is a talent from a philosophical standpoint. The fourth part looks at the three core functions of GTM (talent identification, selection and development) and discusses what practitioners’ experiences of these are. The fifth part looks at GTM programs and the challenges experienced by practitioners. The final part of the chapter looks at other significant findings. The findings presented in this chapter will provide the underpinning base for the discussion and analysis undertaken in Chapter 6.
5.1.1 Brief outline of the data analysis process and a repetition of the research questions

A challenge in qualitative research is to ensure that the thematic patterns are supported by necessary detail (Perry, 2000). The patterns that are found within the collected data aim to show the major themes and perceptions of the subjects. Detail, as in the form of quotes, is then presented to establish the foundation of the identified themes. To ensure that qualitative research is trustworthy, the themes are required to be supported by suitable, relevant and explanatory evidence that is solicited from the semi-structured interviews (Perry, 2000). This means that this chapter is formed around the major themes drawn from the data collected and there are frequent summaries of patterns of data that form a theme supported by relevant quotations (Perry, 2000).

When this chapter is read, it may assist to keep the research questions in mind. These guide the research and are as follows:

1. How is talent and talent management perceived by managers working for Scandinavian subsidiaries in Asean and how do those perceptions align with TM literature?
2. How do managers working for Scandinavian subsidiaries employ their GTM programs to help identify, select and develop talent in Asean?
3. How do managers of Scandinavian subsidiaries in Asean attempt to overcome the perceived challenges of their GTM programs and how do those perceptions align with TM literature?

5.1.2 Summary of data collection methods

This study used a purposive, non-probability criterion sampling technique where people were recruited who were topic experts or had the final decision-making responsibility over TM in the subsidiary. The researcher also, to ensure that there were enough participants, asked the candidates to suggest other suitable participants and initiate the contact with them, this is the snowball sampling technique. Both sampling techniques are described further in Chapter 4.
5.1.3 Summary of the participants

In total 22 participants were interviewed. It is important to keep in mind that the participants’ opinions are their own and not their employers’. During data collection, it was carefully ensured that no confidential information was obtained. Among the sampled participants approximately 32% were female and 68% were male. One noteworthy observation here is the number of younger females. It would be interesting to investigate if this is a trend or just a coincidence. The ages of the participants can also be seen in Table 5.1:

Table 5.1. Age/gender of participants

<table>
<thead>
<tr>
<th>Age group</th>
<th>Number</th>
<th>In percent</th>
<th>Male/Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-35</td>
<td>1</td>
<td>5%</td>
<td>0/1</td>
</tr>
<tr>
<td>36-45</td>
<td>7</td>
<td>32%</td>
<td>3/4</td>
</tr>
<tr>
<td>46-55</td>
<td>9</td>
<td>41%</td>
<td>7/2</td>
</tr>
<tr>
<td>55-70</td>
<td>5</td>
<td>23%</td>
<td>5/0</td>
</tr>
</tbody>
</table>

Table 5.2 shows an overview of the participants, their positions and time spent with company and in the region. The position names have been simplified so that identification is not possible.

Table 5.2. Overview of the participants in the study

<table>
<thead>
<tr>
<th>Code</th>
<th>Position</th>
<th>Nationality</th>
<th>Years in MNE</th>
<th>Years in Asean</th>
</tr>
</thead>
<tbody>
<tr>
<td>II1</td>
<td>Regional Manager</td>
<td>Sweden</td>
<td>10 years</td>
<td>6 years</td>
</tr>
<tr>
<td>II2</td>
<td>Talent Acquisition Manager</td>
<td>Sweden</td>
<td>21 years</td>
<td>14 years</td>
</tr>
<tr>
<td>II3</td>
<td>Country Manager</td>
<td>Denmark</td>
<td>17 years</td>
<td>12 years</td>
</tr>
<tr>
<td>II4</td>
<td>Talent Acquisition Manager</td>
<td>Sweden</td>
<td>13 years</td>
<td>10 years</td>
</tr>
<tr>
<td>II5</td>
<td>Country Manager</td>
<td>Norway</td>
<td>10 years</td>
<td>4 years</td>
</tr>
<tr>
<td>II6</td>
<td>Regional Manager</td>
<td>Sweden</td>
<td>14 years</td>
<td>6 years</td>
</tr>
<tr>
<td>II7</td>
<td>Group Executive Vice President</td>
<td>Norway</td>
<td>30 years</td>
<td>10 years</td>
</tr>
<tr>
<td>II8</td>
<td>HR Manager</td>
<td>Sweden</td>
<td>18 years</td>
<td>15 years</td>
</tr>
<tr>
<td>II9</td>
<td>Regional Manager</td>
<td>Sweden</td>
<td>16 years</td>
<td>5 years</td>
</tr>
<tr>
<td>II10</td>
<td>Country Manager</td>
<td>Norway</td>
<td>15 years</td>
<td>10 years</td>
</tr>
<tr>
<td>II11</td>
<td>HR Manager</td>
<td>Sweden</td>
<td>15 years</td>
<td>7 years</td>
</tr>
<tr>
<td>II12</td>
<td>Regional Manager</td>
<td>Sweden</td>
<td>4 years</td>
<td>3 years</td>
</tr>
<tr>
<td>II13</td>
<td>Regional Manager</td>
<td>Denmark</td>
<td>12 years</td>
<td>4 years</td>
</tr>
<tr>
<td>II14</td>
<td>HR Manager – Asia</td>
<td>Norway</td>
<td>14 years</td>
<td>6 years</td>
</tr>
<tr>
<td>II15</td>
<td>HR Manager</td>
<td>Sweden</td>
<td>23 years</td>
<td>16 years</td>
</tr>
<tr>
<td>II16</td>
<td>Regional Manager</td>
<td>Sweden</td>
<td>8 years</td>
<td>2 years</td>
</tr>
<tr>
<td>II17</td>
<td>CEO</td>
<td>Sweden</td>
<td>7 years</td>
<td>7 years</td>
</tr>
<tr>
<td>II18</td>
<td>Regional Manager</td>
<td>Norway</td>
<td>16 years</td>
<td>4 years</td>
</tr>
</tbody>
</table>
All participants in the research were expatriates and had a previous history with the company before relocating to Asean. 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. While the sample is not large enough to draw valid or reliable conclusions, the numbers do provide an interesting insight into Scandinavian companies and their view on how to fill managerial positions within overseas subsidiaries. The chance of so called self-initiated expatriates obtaining work with Scandinavian companies seems slim and tenure seems to be one of the criteria for selection. The discussion about localisation of management and the growing trend of suggesting that it is increasing is not reflected here. The average that participants had worked for their companies was 14 years with eight of those in Asean. There was 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. The researcher spent one and a half months in Asean, ensuring that he could meet with and interview participants. The outset 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. Time is precious to senior managers and agreeing to an interview at their location was a must to secure participation. Asking a manager to leave the office and meet at a different venue increases the time they commit to the meeting and this is not something that is ideal for the participants. With most interviews held at the participant’s workplace, there was a fear that the interviews would be interrupted. This did not happen. The participants ensured that no calls or colleagues disturbed the interview with one exception, where a family matter arose. This interruption did not affect the interview. To the contrary it helped build trust as we could relate the question to the geographical context and together discuss the experience from both a Scandinavian and Asean perspective.
Scheduling interviews with senior managers during such a short period was difficult and had the researcher stayed longer in the region further interviews would have been undertaken. However, since the interviews continued past the point of saturation it is unlikely that it would have improved the data.

5.1.4 Summary of the sampled companies

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. 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 and 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 with 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 and they are just a short five-hour drive away from each other, making it possible to be flexible with where the interviews were held. A brief description of the companies is found in Appendix II.

What we can see from the organisations is that Scandinavian companies use Asean and in this case Singapore as a hub and regional HQ. They manage Asean and, in 54% of the cases, Oceania from Singapore. It is likely that many Scandinavian companies see Oceania as a too small to warrant its own regional HQ and are content to handle it from Singapore. It should also be noted that several of the companies who didn’t mention Oceania had no presence down under. Most of the participants’ employers had separate organisations handling North Asia (China, South Korea and Japan). When there is a cross comparison between Table 5.1 and Table 5.2 it is also noticeable that the companies with larger numbers of staff tend to have an expatriate in the role of regional HR manager. If this is just a coincidence or a theme can only be confirmed by larger studies. But it is a noteworthy observation.
5.1.5 Data collection

The interview questionnaire was the guiding research instrument (Appendix VI). The questions themselves, developed to allow the participants to feel at ease with the topic and to allow the participants to provide their own perceptions and understandings, are described further in Chapter 3. All interview questions were the same but the probing on experiences differed between the participants. The researcher deliberately allowed the participants to expand and widely discuss and share their experiences and their perceptions, and this sometimes changed the sequence of the interviews and allowed the probing of areas of specific interest. The replies sometimes covered upcoming questions and thus the researcher didn’t repeat those questions.

Since this research attempted to explore Scandinavian subsidiary managers’ perceptions of and use of GTM programs, the questionnaire was constructed and designed to provide the researcher with the views and experiences of the participants. It was designed so that there would be views and experiences shared about each of the particular aspects that the researcher aimed to look at: how they defined talent, what their perceptions of the usage of GTM programs were, what challenges they found with their TM work, and how selection, identification and development of talent happen in Scandinavian subsidiaries. Most of the questions were expected to be open-ended and often the participant would provide an answer that explained not just their own perceptions but also added some examples. This was also helped by the early icebreaking questions, the preamble, where the tone of a conversation was set. Creating a relaxed atmosphere where experiences can be shared, a conversation where the participant felt secure and comfortable to share perceptions, thoughts and beliefs, was needed. Where the researcher found things especially interesting he would probe further to elicit greater detail and depth from the answers. The questions were constructed primarily based on the main themes identified in Chapter 4 but also from the knowledge of GTM and its realities that the researcher has accumulated. The questions identified to assist with answering the research questions are shown in Table 5.3, below.
<table>
<thead>
<tr>
<th>Research question</th>
<th>Interview questions</th>
</tr>
</thead>
</table>
| Preamble                                                                         | • Tell me about yourself, where you work, your background and how long you have been in Asia?  
• Can you describe your local organisation for me, size, geographical footprint, main tasks and challenges? Changes to it over time?  |
| How is talent and talent management perceived by managers working for Scandinavian subsidiaries in Asean and how do those perceptions align with TM literature? | • Can you tell me about your experiences with GTM programs, how do you find them?  
• What is a talent for you? Any skills or characters that are noticeable? Anything specific for Asean?  
• Who/What is a talent in your organisation?  
• How do you work with TM and what are the main processes and tools you use?  
• Do you think your company’s country of origin influences the design of your talent management program? If so, how?  |
| How do managers working for Scandinavian subsidiaries employ their GTM programs to help identify, select and develop talent in Asean? | • How do you identify local talent? What are the tools used and thoughts around identification? Any specific Asean processes or thoughts?  
• Who selects talent and how is this done? Any specific Asean processes or thoughts?  
• How do you develop talent? What tools are used and who controls the budgets?  
• How do you and the GTM program assess local talents? Are the development paths influenced by the location of the subsidiary?  
• Do you intend to localise management? Either to eventually replace yourself or other senior management posts?  
• What is the attitude among different stakeholders (for example customers, local employees, expatriates and CHQ) to localisation of management?  |
How do managers of Scandinavian subsidiaries in ASEAN attempt to overcome perceived challenges of their GTM programs and how do those perceptions align with TM literature?

RQ 3

- What are your thoughts about using GTM programs in ASEAN? Are there any specific challenges you face when using it here?
- What perceived difficulties do Scandinavian MNEs in ASEAN face when they develop talent?
- Do you adapt the TM program to reflect local contexts and individual characteristics? Why / Why not?
- What characteristics does ASEAN talent possess?
- Do you find ASEAN talent similar to Scandinavian talent? If no, what differs?
- Do local subsidiaries have authority to amend the talent management program?

After completion of each interview, the researcher spent time listening to it, immersing himself in the data and understanding the messages conveyed.

5.1.6 Data presentation

The findings will be outlined in relation to the research questions. Since this is a qualitative study, the participants’ responses are presented as are their perceptions. While the research instrument guided the topics discussed, the semi-structured interviews allowed for comments where personal experiences, from common practices to very detailed and particular experiences, could be shared. The themes and patterns are discussed under their respective headings. Answers have been clarified where the researcher believes this is necessary. Naturally, not all replies are included, instead there are suitable examples aimed at portraying the main themes. Where needed, the researcher has juxtaposed comments to show that not all replies were similar but the main themes are supported by more quotes to further illustrate how themes were constructed.
5.2 How are talent and talent management perceived by managers working for Scandinavian subsidiaries in ASEAN?

This question looks at the philosophical underpinnings of talent and TM among Scandinavian practitioners. In literature, there is contention about the definitions of the two terms, but the issue is much wider than that, understanding who and what that is a talent is the key to understanding the TM choices made. Discussing the fundamental understandings about who and what talent is, focusing on inclusive and exclusive philosophies and particular understandings of talent characteristics provides clarity and helps understand and interpret the TM choices made by the practitioners and their organisations. This underlying philosophy forms the base for understanding perceptions of TM and helps guide how the participants identify, select and develop talent.

5.2.1 Who is a talent

This focuses on who within an organisation the participants regard as a talent. The perceptions of our participants towards who is a talent were discussed and explained. The participants were surprisingly unanimous on who they considered to be a talent. The consensus was that talent was all employees and it is up to the organisation to bring that out of them. This corresponds to an inclusive approach to TM. This aligns with the Scandinavian management styles discussed in Chapter 3 where it is noted that, in more egalitarian societies such as Scandinavia, there is a focus on inclusive management.
With talent being inclusive, the focus was on identifying and developing talent so that they could reach their full potential. Our participants did not believe that talent is limited to leadership or managerial talent and there was no focus on specific groups of talents to work with. They even went as far as deeming this counterproductive and creating an unhealthy organisation where teams may not function as well due to the members being at different levels in management perception. Their belief was that the notion of exclusive TM, common in TM literature and a prevalent thought when discussions about TM take place, was one that lacked understanding of the practitioner reality. Most talent were not developed for managerial positions, to the contrary and their GTM programs were targeted to work broadly across the entire organisation.

I14 “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 utilise 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”

I18 “Everyone has talent it’s a matter of discovering it, nurturing it and using it to perform. We as managers must look for talents, plural that is, in every employee because the more talents we find, the more we develop the better our organisation will work”

An observation is that several participants link talent not just to an individual but also to the team or the unit. Participants discuss how they best can utilise each individual specific talent. The focus on the team and the ability for an individual to fit into the group is a theme continuously mentioned by participants. This shows that a key part of the work is not just about developing the individual but developing them within the context of the organisation and local units or teams. The ability for the individual to fit into or to adapt to these environments is a key factor in TM work.

I11 “We’re all employees of XX, that’s talent, even though I don’t like the word talent. We work together and to be successful we need good team members, being a good team member takes talent”
It should be noted that there was resistance to the idea of labelling people as talent or asking questions about talent. They found such practice alien and something they noted would be against the values that they are trying to convey to employees in ASEAN. With that said, it was also noted that, while there was no official use of words such as talent, an informal order existed. Labelling does not have to be in the form of calling someone a talent, but it can be numerical, be noted in the resources spent on a candidate or by appointing them to high achieving groups.

I1 “I don’t like words such as talent. We’re all employees. Those titles just serve to differentiate us. Create greater distance between employees”

I6 “That doesn’t match with our values. I would not feel comfortable to identify staff as talent or high achievers, I also struggle to see what benefits the organisation would get from such activity. Is that common?”

There were very few participants who differed and used a strategy where managerial talent was identified. When they identified managerial talent, the organisations worked with such employees and gave them greater resources.

I12 “We identify those we see as having managerial potential, they receive specific training for this, it’s done through performance reviews and recommendations from managers. The issue with that is potential bias and to ensure that is not what drives identification we have a common performance review system, a 12-frame grid where employees are positioned according to set performance and managerial input”

5.2.2 What is a talent

Having defined who that is a talent and finding that the participants had inclusive an approach to this idea, the next step was to consider what a talent is and what characteristics it includes. Talent is often discussed using talent as either an object or a subject. The participants suggested that talent was subjective, that talent was the person while the characteristics of talent were seen as acquired and not transferable. The key to talent was the fit: a best fit of personality and values within the unit/team.

While talent can be discussed using many parameters and it was hard to find any consensus in the literature, the observation from the participants’ opinions suggests that talent is the ability to fit into and perform in a group. Most academic discussions about
talent focus on individual characteristics and do not consider that the team can be the
talent and the individuals’ components of it. Talent is not something individual but instead
something that forms part of a greater group. The participants noted that talent needs to
be grouped together and developed with such an assumption to create a unit that provides
the business with its competitive advantage.

   I1 “Talent that is when a person makes the others better, when a unit becomes
   stronger than its individual parts. This is the essence of talent management”

   I16 “Talent is when an individual fit into a group and the group is able to
   achieve results. In today’s competitive environment companies can’t expect
   individuals to make a difference, the difference is made through placing,
   educating and managing a group of individuals”

   I22 “Talent is the ability to make people around you better”

Some participants took it further and suggested that talent and the discussion about it
being about individuals is based on a philosophical bias that individualism is something
given and that organisations adapt to that.

   I9 “This is just another sign of the individualistic tendency that we see in today’s
   environment. We’re Scandinavians, we didn’t and we don’t do well because we
   have the brightest individuals employed, we do well because we know how to
   make decent people come together and produce excellent work”

   I21 “I am not sure I buy into this about talent at all. We set goals and teams,
   units, call it what you want, meet those goals. Being able to function in an
   environment that together strive towards goals is what makes us successful.
   That’s our culture, that’s how we build success. Talent that’s how good we
   function together”

Other participants added that the ability of individuals to take on board new information
is important.

   I3 “The important part is not how much someone knows or how clever they are,
   the important part is how humble and ready they are to accept new knowledge”

   I5 “People who never stop being curious and learn new things”

Some participants didn’t agree, they perceived talent as being an individual ability.
I17 “We have some stars, they are the most capable individuals, in every way. It’s a pleasure to see how they perform”

I11 “People, we are born with different strengths, some have more, some have less, it’s a matter of identifying those with more strengths and ensure they are put in a position where they can succeed”

What we can see here is that despite the identification of individual strengths, those who noted them still added on that the individuals need to be put in a position to succeed and that is the work of the TM program.

5.2.3 How is TM perceived by Scandinavian subsidiary managers in Asean?

To address this, the researcher constructed several interview questions to help him gather perceptions of the GTM program. These questions were intended to generate further experiences and understandings that could be probed by the researcher. While the answers to what managers think of TM programs are varied, there are some core patterns that can be seen throughout the transcripts. Most of the participants would mention multiple points that together formed their perceptions of GTM programs, making a numerical calculation of answers problematic. These various points together would form their perception and would shape how they perceived TM. It should be noted that the first thing that is noticeable is that 21 out of 22 participants are positive about the use of GTM programs.

I12 “It’s a core function that we use, I think it generates a lot of competitive advantages for us. I am very supportive of it and would like to see it expanded on and mirrored in IT where it’s the law of the jungle presently”

I11 “I think it’s the most important tool we have, it is what guides us and ensures that we remain faithful to who we are and our roots”

While discussing the overall impression, the perceptions, of GTM programs certain comments were mentioned frequently and formed the main themes. These themes saw a varying support and differing explanations. The interpretations are discussed in more detail below. When asked about their perceptions, the participants focused on their experiences and understanding of the TM work as it was meant to be undertaken. They emphasised that the initiative, TM, originates from CHQ and their role is to implement and employ the GTM program, as it is, within the subsidiary. This is something they
attempt to do to the best of their abilities. It is important to note that most participants had many, varying, overlapping opinions about the GTM program. This was supported by the researcher and each participant was encouraged to share their experiences and perceptions to build a picture of the phenomenon that was as holistic as possible. Thus, pluralistic perceptions are to be expected, TM is not singular tasks but instead a program and the perceptions of it are likely to be varied and rich in thoughts and detail. These main perceptions will be discussed below and will be supported by suitable quotes that will help demonstrate the meaning of the participant’s experiences and perceptions regarding the TM work. These perceptions form a clear picture of the attitudes to the GTM program and the importance placed on TM among our participants.

5.2.3.1 Standardisation – needs adaptation to local context

Most participants noted that GTM’s core purpose is the ability to standardise and use the same kind of practices and processes in the same way across an organisation. Standardisation offers the ability to measure performance and progress across the MNE. It also offers the ability to create and compare key numbers, often grouped together as KPI. This ability can help CHQ make rational financial decisions and is a driving force behind standardisation of TM.

I6 “…instead being a continuous process and that is what talent management is, ensuring that it is not every manager, every department, division or what it may be that set their own standards but instead that we use the same standards and techniques throughout the company. Overtime this would allow us to get a better view of how the unit and even individual employees have progressed, strengths and weaknesses…”

I17 “We took what Sweden used and then brought it to Asia. One of my key tasks is to make the SG unit work like a Swedish unit. Mirror us, ensure that we can compare the units and learn from each other”

Being able to have consistency across the globe in an MNE is a key concern and the discussion about standardisation or localisation of practices is thus contemporary and important. When participants discussed this, they stated that it was the main purpose of the GTM, the assumption that using the same processes and tools for the TM work ensures consistency across the organisation and that there is knowledge of what each subsidiary is doing. Standardisation was deemed to ensure that the values and key processes that had been developed at CHQ and that had made the organisation successful were replicated overseas. There was no interest in localising TM to suit local contexts. However, it was
suggested that if it were up to the participant there was a need to provide systems that would allow and incorporate certain minor amendments to parts of the GTM program, amending perhaps the weighting of specific practices and processes so that local contextual and cultural factors did not hinder the effectiveness of the GTM program. Although the practices and processes themselves weren’t altered to suit local conditions and contexts, many were making changes to the choices within the programs. The ability to use what is successful and replicate it overseas was stated to be the primary way to ensure that the strategic competitive advantage that the CHQ organisation has is also present in the subsidiaries.

“I18 “Previously we didn’t know what went on in say Malaysia. We might have known the manager but we didn’t know the staff, what they achieved, their individual development plans and who had potential. When we had the ability to process large amounts of data and things weren’t done manually anymore. The path to global HR was open and I see talent management as just a way to handle employees and plan their careers in a consistent way that allows the company to have oversight, control and find the best potential resources when needed”

I21 “…they are taught the same things, to focus on the same things, we are very centralised. We need that control. If we don’t have it, the brand would lose its magic”

GTM is described by the participants as a desire for CHQ to know what is going on both by providing strategy and practices and processes, but also through report functions. Report functions are available through the IT systems employed to handle the GTM program. It is interesting to note that several participants have commented on software allowing GTM programs to keep a control mechanism. It is also interesting to see that the development of software capable of handling large amounts of data, like the GTM program, appeared at the same time as the birth of TM.

A variation of the standardisation theme that was recognisable throughout the interviews was that the participants believed that the GTM program was constructed by CHQ and they lacked the necessary ability to understand local context and this would make the GTM program, if adapted to a local context, less effective. The perception was that there was no need to replace specific practices or processes but instead provide an ability to direct further resources and time to specific practices and processes. The practitioners were of the view that GTM needs to see the weighting between practices and processes further localised to improve efficiency and achieve best outcomes. It is also noticeable
that such activities where already undertaken. Most participants made their own minor amendments of TM processes and/or shifted resources based on their own understanding of their context. This finding clearly demonstrates the difficulty in measuring impact or causality of specific TM tools across an MNE. All participants felt they had the implicit right to amend and balance the TM program so that it was adapted to their reality without informing CHQ.

I15 “It’s really good, it is very important to have this resource. We need to localise it more though, when someone takes over from me they need to be aware of TM in an Asian context and not just TM. That’s years of knowledge and the program must incorporate it. My ability to adapt the program to suit my environment is very important. I don’t work the same with Singapore as I do with Philippines or China. I differ based on the local environment and this needs to be part of the GTM program”

I14 “There needs to be more understanding of what our world is like and then we can make it even better…”

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 improve 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…”

The idea that GTM programs are created with a primary understanding of PCN is something that is repeated by the participants. Several participants comment on their involvement in the changes to the program and that they believed that not using their accumulated wisdom is a loss for the organisation. The desire to be further involved and ensure that their knowledge is incorporated is a desire that is noticeable. The participants believe that while they can adapt to the local context, often based on their experience, they want this knowledge to be retained so that the organisation does not face potential issues in the future. Most participants believe they would like to contribute further to the upkeep of the GTM program but that there is no real platform to make this happen.

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”
5.2.3.2 The core values of the organisation and its people

The notion that GTM portrayed the values of the organisation was widespread. The GTM program allowed the corporate culture and the need to ensure an understanding of the core shared beliefs to be used in each subsidiary and form the basis of the business.

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 program and procedures but everything in the entire company. That’s where it begins and we work from it”

I3 “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”

There was an understanding by the participants that most persons born overseas don’t have an automatic relation to Scandinavian companies and do not associate them with specific values or traits. The GTM program helped foreign employees understand these values and traits and kept the organisation true to its ideals. It ensured that the company developed HCN to employees with shared fundamental beliefs and approaches to the organisation. The participants expressed a belief that the GTM program engrained the values that the company and organisation wished to portray and helped shape subsidiaries so that they and their staff and their way of working and thinking would be like that of CHQ.

5.2.3.3 Longitudinal HRM

GTM was based on what the participants experienced as being a strategic component of management, not as traditional HRM, but something more specific that is less focused on today and more on the future. The words continuous and long-term focus were mentioned as part of the perception of what GTM is. The goal of a GTM program is not immediate or short-term. It aims to provide a continuous flow of talent at all positions within the MNE. Working continuously with short, medium and long-term goals is the key to successful TM. The building of careers is a task that requires time and it was vital for the participants to stress this. There are no immediate rewards. Employees develop at different times and through different periods of their career. The role for the TM program is to have the tools and processes that help guide and develop careers over time. The more
knowledgeable and prepared candidates are the more likely they are to provide positive benefits to the organisations at all levels of the hierarchy. A key part of this is that, for the organisation to be successful, there is a requirement for the people to develop their own ability to work and communicate well in teams and in units and this is something that is practised over time.

I22 “It should be clear to every staff member that they are given opportunities to build their career with us. So, a key concern for me is to make everyone aware of this, that our company will allow employees to build their careers with us if they show commitment. It is all about their own belief, if they commit and put in the effort we will ensure they have a great life with us where we together plan and develop their career over time”

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

Time is important according to the participants, GTM works with individuals and how they fit into the teams over time. It is not about fast development or a quick certification. TM is about long-term planning and caching. Not just succession planning but also development and preparation goes into an individual with an eye to where they can go and what they can become in the future. Employee and manager set the goals together and they work to achieve a suitable career path based on their own understandings. There is not one specific path that is required to adhere to, instead it is a continuous development. Being a subsidiary means that fewer positions are available so there are fewer structured career paths for the employees to follow in comparison to CHQ, this makes the focus on long term and unit/group work even more important.

5.2.3.4 Building teams

Participants mentioned teams and / or units frequently. They talked about how TM is about building the right group or team and not developing the best individual. Teams are a tool that helps keep the organisation open, agile and honest. The participants said it was important to ensure that employees see that they are part of a team and work with and for it. The GTM program helps produce teams and team-members and through them the organisation should gain its competitive advantage. Team does not refer to team building but to teams, an egalitarian idea of how to arrange labour, which is a core component of Scandinavian management and Scandinavian society. Producing a good team, coaching
and ensuring that the right people are part of the team, is what is described by participants as a main task for GTM programs.

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

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

This belief that the team is the competitive advantage and not the individual ability is an important part of understanding Scandinavian TM philosophy. Working together ensuring that the value of the team’s performance is greater than the value of all individuals is a core component of Scandinavian management and helps explain why there is less focus on managerial development and instead a focus on talent development. The teams can’t consist of 15 managers. Instead all team members need their own expertise and skills.

5.2.3.5 Career planning / management

Some participants saw GTM as career management or career planning. Career management involves each position and having someone that is keen to work there. It involves recruitment, training and development well as remuneration for those particular positions. The alignment and building of suitable candidates were seen as a key component of a GTM program. The usage of the abovementioned tools in a specific order is meant to achieve a competitive advantage.

I1 “We work to develop the employees, first every employee has set amount that they can spend to enhance their own skills. This gets approved by me. The amount is identical for all staff members so to promote equality. Then we have specific competences that we may suggest to candidates after performance reviews. That can be certifications, that can be specific new skillsets or even further education. It all depends, we use the handbook here to guide our decision and plan careers according to a few suggested career paths. These are only suggestions and not something we must adhere to…”

I5 “We set about to plan the careers needed to fill the positions within our organisation, since we are growing this requires careful consideration and we follow the suggested organisational design and build careers to suit it. The GTM’s main function is to work with and coach the people, build them so that they fit with the careers we envision”
Career management is mentioned together with longitudinal HRM as two things that are done to ensure the organisation retains and builds its talent. Career planning looks at the organisation’s needs and future expectations. There was an expectation that careers should be planned so that future needs could be met and that the organisational design is a key consideration when you plan for talent’s future careers. This focus not just on the individual but on the organisational needs. Careers are managed to ensure that they are developing towards the strategic goals set by management. This concept that careers fit with strategy management has outlined a key cooperative function of GTM.

5.3 How do managers working for Scandinavian subsidiaries in Asean employ their GTM programs to help identify, select and develop talent?

This question is divided into three parts; the parts are based on the tasks mentioned in the question. The tasks, how participants select talent, how they identify talent and how they develop talent, are all presented individually to provide more clarity despite them all being key functions of the GTM program. Understanding how managers work with core functions of the TM is important since it allows us to see what their priorities are and how they employ the program. The experiences of selection, identification and development of talent are core parts of Scandinavian TM practices.

5.3.1 Talent identification

The identification of talent is a specific and important part of TM. Who talent is and how it is identified varies between organisations and their processes for also vary. The philosophical consideration here is what the perception of talent is and what the GM
program assumes as a result of this perception. Is talent inclusive or exclusive in its identification policies? Inclusive means most employees are talent and the organisation adapt its positions and processes to developing the talent as they see fit. The exclusive talent identification tends to be that there are rankings, where talent is A, B, or C where the A group are identified and resources spent to prepare them for a career within the organisation. How Scandinavians in Asean employ their GTM programs to identify talent is thus important to gauge.

The main point observed is that first the identification is inclusive. Everyone is a talent and it is important to find what their talent is and progress it as much as possible. With that philosophy in mind, our participants look for a fit between the individual candidate and the organisation and its culture and internal environment. By looking for a fit, they identify who has potential to fit into a team or unit based on the person’s values, future ambitions and personal skills. The development of the identified talent commences and is continuous throughout the person’s career with the organisation. Being identified as talent is one thing, it is the later development of the individual, the talent, that will determine their future career progression. The identified talent is part of what in Scandinavian companies often refer to as the organisation’s talent pool. The candidate is thus identified as a talent based on their personal values and how those align with the organisation and the unit/team, not on natural ability or being a top performer. This further reinforces the inclusiveness that characterises the work undertaken by Scandinavian practitioners with employees.

5.3.1.1 Best fit /strategic fit

The most common theme emerging when the participants discussed talent identification was one where they looked for a good fit. They commonly look for someone who will fit with the organisation and the culture. The person’s individual characteristics made them noticeable and it was by gauging these characteristics that the participants were able to deem individuals to be a good fit or not. Good fits were talent that was deemed worthy to invest capital into. While ensuring that there is a fit between the person and the organisation regarding personality isn’t unexpected, that it is the main point of interest. It reinforces the inclusive approach to talent where talent is not innate but acquired. The participants suggested that if there is a person who has the right personality and characteristics the company will then include him/her into the talent pool and develop his
/ her capabilities. The choice of looking for individuals that align with the organisation, that being the right person is more important than best performance, aligns with the culture that we see in Scandinavian organisations and with literature on Scandinavian culture. Identifying candidates that are a fit is often done through performance reviews, where the team comments on the individual, and then the manager and the individual look at questions about the company, the individual’s future and make behavioural and situational assessments. In these assessments hypothetical cases or situations are presented and the candidate is asked to present solutions or ideas. The answers allow for matching with company values and these exercises are often included in the tools that come with a GTM program.

I14 “We look at the person. We look to find a person that fits into our office and culture, that can establish relations and enjoy working with us. Such a person we can build a career together with. We are a team oriented organisations so relationship skills matter to us. You have to be able to work across not just different positions, but also across units and with CHQ”

I1 “To be considered, it’s more about ensuring we have an ideological fit between staff, company and the values we want from employees working for this company”

I10 “We don’t rank them by number but by suitability to the role, their personal fit for the position and department, ability to work in a Norwegian organisation and according to their values. If the candidate has that fit, we can, together, create a career for them”

The strategy behind this can be seen when some participants described their own experience of how to use the GTM program to select and identify talent. That it is about building an organisation where people align with goals and visions emphasising the strategic fit. Linking MNE goals is often seen as the strategic fit, but for Scandinavians goals are just one part of a strategic fit, the other being linking to the MNE’s ethos as well and developing an employee who will adhere to the mottos and can formulate goals that consider context and results. Within this comment, another reality is also noted, One where there is first a skill based identification, then value driven.

I18 “…to me when we work with people we need to start with strategy. What are the corporate goals that we have and how have we shaped the organisation to suit them? When we have that in mind we can start filling the organisation with people. People are the leaves on a tree so to speak. You need the branches before the leaves grow. We start with some basic positioning, what order do we need people in and to work in that order what competences are needed. These
skills or competences are what guide us when we look to identify suitable candidates. The skills are of course practical, you cannot put a lorry driver in a medical laboratory, so you always start with ensuring that people have the right skills. That may be education, experience or specific competencies that require extensive specialist skills for and often several certificates. This is the base, that will go into a talent management program. This is what we need. X amount of years of experience, this education, these certifications, this company experience etc. That can go in a TM program. However, the next step is the person that is suited for the role. Personality, maturity, here it’s local knowledge needed. To fit into a team, do we need a female or a male. Do we need youth or experience, man or woman, that needs to be determined locally and based on the talent management plan. However, no matter the person there are certain characteristics we look for, to make candidates fit with the company and here we return to mission and vision and strategy, what we are and stand for.”

5.3.1.2 Value based identification

While value based identification of talent shares similarities with that of best fit, the participants mention that as long as the individual shares the values that the organisation looks for, they can then be developed and be part of the talent pool. It is thus solely the character of the participant that matters. Most GTM programs look at characteristics; companies ask the HR staff to record their perceptions using a set number of adjectives to describe individuals and the candidates themselves might be asked to do the same. This is a key part of identifying values and seeing how individual candidates work with them over time. Other supporting tools for this are questionnaires; asking questions about situational aspects of life, outlooks and other nonspecific or behavioural information. Most of value based information is continuously looked at and this allows the organisation to build a profile of the candidate as time goes by.

“I need those who share those values, share our commitments and our vision for the company. I want them to be proud that we fly economy class and feel that it is a good way to save the company money”

“We look at their values a fair bit, we want candidates that want us. That know where we are from and can share our ideals and corporate values not just candidates who want a good pay check. We’re in it for the long-term and want long-term candidates”

“Well we have seven characteristics that we seek in each individual. Those have been in existence for a long time and were developed by headquarters. We measure them over time and see how they change and develop. Ensuring that those whose values are a match is a key to identifying those who we should invest in”
5.3.1.3 Performance metrics

The participants mentioned what, in academic literature, is said to be the preferred way to identify talent: talent identification based on both measurable objectives and behavioural objectives. Measurable objectives are usually set together with the employee. There are variants of this, individual MBO objectives set by more senior individuals for example. Such measurements tend to be accompanied by comments from managers and the individuals themselves to form a more holistic view of the talent and facilitate easier identification and justification. Behaviours tend to be focused on softer skills, how co-workers comment on them and how they align with specific values the company seeks. Many companies were said to use similar performance measurements across the units allowing comparison and easier decision making. Some performance metrics tools are characterised by being quantifiable. Candidates are ranked, say 8 out of 10 on measurement A and 6 out of 12 on measurement B. Our participants said that this was in the local context usually linked with financial incentives (bonuses) and since it wasn’t linked to bonuses for the Scandinavian companies some talent found the usage of performance scales demotivating. Linking them was seen as counter-intuitive to the teamwork and reduction of hierarchies many sought to accomplish.

12 “There is a need to limit the usage of result based performance management criteria’s. Such tend to provide an expectation that a bonus, usually a 13th month is forthcoming and we don’t offer that. It leads to disappointments and the performance management program becomes less effective. Employees focus on the lack of pay instead of focusing on improving specific performance factors”

110 “The key for us is to look at the behaviour. Most know their job but that doesn’t mean they know how to function within our company. So, we tend to highlight those performance goals over more numerical measurements”

5.3.1.4 Career progression

Some participants worked with talent identification as an employee initiative. The organisation and the employee would sit down and plan the employee’s career. This takes for granted that every employee is a talent and that it is about utilising the talent the organisation has acquired in the best possible way and for many that is best done in consultation with the employee themselves. While rarely an approach used singularly, it was noted that most (16) of the participants mentioned that they do prefer when
employees themselves identify potential future career moves. This was considered to assist motivation and performance.

116 “First is to actually sit down and look at what the individuals themselves want. One must always start there, if we don’t consider their interest we will not succeed. So, we meet once a year to look at their career, discuss and see where it’s heading, what’s needed to go further and how we as a company see the individual with us. It’s a two-way informal meeting but it’s good because it allows the person to know where he stands, how we see his future and acknowledge that yes, we see potential and see him developing himself with us. It really helps keep employees around”

111 “We always have a plan for each employee. We identify strengths and weaknesses. The key is to have a plan, not one HR or I make but one where we together with the candidate sit and look at their needs and wants and seek consensus. We provide career-paths. They know that promotion is possible and that we can offer them a career. The career will take time, will require good effort and results but we have a plan for them, a long-term plan. While I wish we had the time to sit for hours with each employee reality is that we meet an hour every six to twelve months. Track progress and discuss”

5.3.1.5 Managerial recommendations

With organisations being large enough for managers not to know each employee well, it was suggested by the participants that it is local management responsibility to recommend talent and with recommendations comes identification. This kind of identification tends to be for managerial or specialist positions only. Managers that recommended a candidate need to provide support for the recommendation, in accordance with guidelines, and often the recommended candidates are compared against others in the organisation. The most suitable candidates are then invested in, often sent on training or specialist certifications.

117 “Well they are recommended by the managers. I look at a profile and when promising, we do we fly out and meet the person, me and someone else and we take it from there. No guarantees, we just hold an informal session and try to see if there is something with the candidate”

110 “Every year the managers fill in forms that aim to make us aware of where in the organisation we have a talent. They write small briefs. We don’t have any scale but based on the brief we get an overall picture of the candidate, there are pre-arranged headings that we use to write and we also state three strengths and three weaknesses for each person. We look at where we see the person in five years. Try to give an idea over the person’s potential to work with us, where we see him in a few years’ time”
5.3.1.6 Tenure

The participants also mentioned tenure as one often smaller part of the identification process. This was a comment coming from two angles, one where they wanted to show that there were rewards for tenure and, through that, ensure retention rates were kept at expected and desired levels. In Asia, the participants perceived, another angle is an expectation that the people who stay with the organisation will be rewarded before some less tenured employees. This was mentioned to be especially noticeable among the organisations with businesses in lesser developed ASEAN countries such as The Philippines and Indonesia. Our participants believed that long tenure helped understand practices and processes, values and MNE culture and tenure for those reasons were a positive trait. An additional benefit with tenure is having established internal networks to help with problem-solving and understanding of situations.

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 underutilised 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”

I14 “You have to work with what you have, the issue is sometimes Asians are not used to two or three having the same competence, they prefer a clearer hierarchy where tenure and skill go hand in hand”

I5 “We want people that have shown commitment to us, people who have been loyal, then we recognise this by seeing how we can work with their careers”

5.3.2 Talent selection

Talent selection is often perceived as recruitment and, while recruitment forms a part of selection, there are more parts to it. Selection also looks at succession planning and staff profiling. Understanding how the Scandinavian participants work with talent selection involves focusing on what they look for in talent, channels from where they find talent and how the decision to select someone is taken; what is the justification is for the choice made? Selecting is not just done with new employees, on the contrary, internal promotion is very common too. In fact, a focus on aiming to select internal talent first was the suggested approach by 14 participants while a focus on selecting external talent was mentioned only by four participants. The majority is likely to use both strategies, but the
emphasis on internal selections is clear and something that Scandinavian managers perceive as a core part of their GTM program.

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”

As can be observed from the quotes, internal selections are not just made because they are seen as superior and motivating, they are also perceived as being less costly. The time to train a new employee and make him/her understand what the company is, its values and its networks is not cheap and this is part of the considerations undertaken. One can speculate and assume that this is something that is influenced by employers having adapted this strategy to suit an environment where labour is costly.

The participants also suggested that they would sometimes select more than one candidate. They were not interested in losing out on talent just because they only had envisioned taking on one candidate. The fit into the organisation was deemed more important and if they found someone who was a fit, they could always find a place for them to work. Best fit also included a consideration of what gender, age, race, personality and education levels were needed. This was the strategic part of the fit.

I3 “If we identify two or three really good candidates I have the ability to take them on board. I think it would be a waste not to. Now this is not general, if we are looking for say a receptionist I won’t hire three, but if we are speaking about the professional staff, not support staff, then I would”

To better address the research question, it is important to look at how the decision is taken regarding what talent is selected. While tools are there to assist with selection, the participants believed that they instinctively know who to select based on their understanding of the organisation and who is deemed a good or right fit. Literature might suggest that this point to overconfidence among the hiring managers, but it is, non-the less the lived reality of the participants. The context of the organisation is here serving as a determining factor. While the supporting tests, such as interviews and assessment results, play a role, the decision is primarily made on intuition. Some participants choose
to ask for a second opinion from a trusted colleague, usually another expatriate. This is done to confirm the intuitive selection. External assistance in this case refers to the use of professional recruiter, something our Scandinavian participants saw as less desirable.

117 “I know a good employee when I meet them. I just know who fits where and why. It’s not a science it’s an emotion, an ability to logically connect and see what’s needed in different departments”

Having seen how talent are selected we come to the discussion of what it is that causes the participants to make the selection decisions. Below are the six most frequent characteristics that our participants looked for when selecting. Our participants state that Scandinavians place value on networks, being internally recommended, and having the right characteristics and values. There is less importance placed on assessment results, formal recognitions and / or specific skills.

5.3.2.1 Value based selection – good fit

The discussion about who to select showed that the participants’ main concern when hiring someone was how he or she would fit into the organisation. The position, the personality of the candidate and the characteristics of the organisation determined this fit. Many participants observed that selection was made based on values that they identified in the candidate through informal interaction when this impression was supported by acceptable answers to pre-arranged interview questions or assessments. When a candidate was found to have those values, there was an assumption that the fit would be good and that was more important than having been a star performer in previous positions or a star student.

I22 “The important part here is to interview and look for an individual who shares the three core values I told you about before and for that our talent initiatives provide a number of strategies. The hiring manager must also fill in a justification saying how this new employee will fulfil those three values. The values will ensure that the person fits with our organisation and the rest we can teach him/her”

I6 “While we don’t seek the best recruit in regard to grades or work experience but instead seek a good fit and a candidate with the right values”

Most the participants’ organisations work with pre-set criteria for who is a best fit. This is a key part of their TM program, and usually involves consideration of the core mission
and vision of the organisation. Participants all had experience of ensuring that the choice of candidate aligns with the values, criteria and competencies that are determined to be suitable for the position. In some cases, this was controlled by the GTM program but in other cases it was not.

I11 “The criteria are important, we have set criteria. Not position descriptions but criteria that stipulate who we should hire, what kind of person, what values and what skills that will be suitable in our organisation”

I1 “I select based on specific values in the person. These values are found in the GTM program. They are more of a guide than an absolute blueprint, but they provide values, key competencies and specific suggestions. I use that, it ensures they are a good fit to the organisation and have an interest in the company and the products”

5.3.2.2 Background and experiences

The participants would naturally consider the formal experience of the candidate; this is what gets a candidate pass the first screening. It is noted that prior work experience is a key concern. Some participants suggested that any working experience is good, whether it is related to the field applied for or not, especially in a ASEAN context where students actively are discouraged to work while they are studying. Experience includes educational experience as well as professional and situational experience. This depends on the criteria for the position, something the GTM programs often seek to regulate or provide best practice suggestions about.

I14 “We look at the educational background, the working experiences, language and cultural skills when we go through the CVs and of course their formal merits. However, it’s not about being a top student, a top performer, it’s more about not being a constantly low scoring student or having questionable references from employers”

I14 “If we speak about employees that have experience, then we focus on what their tasks have been and with whom they have experience, based on that we can often employ the values to ensure that the candidate has the right experience”

I13 “In Singapore most youth don’t work and try to earn extra money, instead their parents want them to focus on their studies and later their career. This means that they are often completely new to the labour market when they get their first job after university. We often look for those with previous working experience, whether in a stall, shop or doing data entry doesn’t matter, it’s an advantage to know what it means to work”
The perception of talent that had prior experience differed. When it comes to talent with experience from other organisations, the process was similar to selecting from internal talent, but the participants noted that there needed to be a focus on how the candidates approached specific scenarios. The selection was about identifying their ability to act as expected in specific situations and selection was focused on scenarios and behavioural interviews and tests.

17 “It’s sometimes needed to hire experienced external practitioners, we meet them, listen to them and with scenario based interviews we are able to get a good feel for them”

However, most participants responded that they sought internal experience over external and this shows the philosophy behind Scandinavian TM, the focus on developing talent that is ready when there is a vacancy:

121 “It’s organisational experience that counts, that’s why we as much as possible recruit from within. We want all managers to be XX employees to really understand what’s going on. We also ensure that country managers, store managers work retail, front facing positions a day or three per year to really be aware of the challenges that’s very important experience. We’re not extreme like IKEA but not far from it”

For graduates or candidates new to the labour market the participants noted there are clear guidelines about who is suitable to hire. Such guidelines and best practices are often stipulated in the GTM program. Here, the first identifier tends to be the values and the background and prior work life experiences. An interesting point to note is that most of the participants had clear practices when it comes to educational providers. There are perceptions of quality among educational institutions and that the right choice of institution can provide career opportunities later:

11 “We don’t want them to be educated abroad when its SG candidates but for others in the region we prefer foreign universities”

111 “We work exclusively with a few high quality local universities. The difference between the institution that candidates have graduated from is so large that you can’t hire graduates that come out of anything but the really good tertiary education establishments”

Universities are not all equal in the eyes of our Scandinavian participants. While Singaporean universities are generally deemed very good, other Asian and Australian
institutions are often deemed to be questionable. Out of 22 participants, 17 mentioned that they had clear knowledge and some form of ranking based on the perceived quality of tertiary education. This was used more frequently when they selected fresh graduates but it also formed part of the weighting when a person’s development plans were discussed. The input and inclusion of such facts in the GTM program tended to be the local unit’s responsibility. It is important to note that this was only one parameter and not the most important parameter. It is also interesting to note that such rankings were shared across formal and informal club surveys where professionals meet and discuss specific topics.

I6 “They need a specific degree from what we judge as a satisfactory university. In Asia, a university degree doesn’t mean anything. At certain universities, it’s enough to show up to receive a degree. Candidates who in our time would fail are today passing. You need to recruit from reputable universities. That’s for junior HR staff to handle though, they know this and we have a manual where we identify and rank every university”

5.3.2.3 Internal recommendations

Being recommended by an existing employee is a bonus. Most participants mentioned that their organisation had schemes to increase internal recommendations and that they often provided monetary bonuses to those who recommended successful candidates. It is important to note that such recommendations are both for internal and external candidates.

I10 “Before we put an advert out on jobsdb, we always send an email to staff, asking them if they can suggest a suitable colleague or external candidate. We like to give them an opportunity to suggest candidates before we start a more formal recruiting process. We have made it clear that this is about suitable candidates, that it’s a perk for staff, so we emphasise that they need to judge for themselves if the person they suggest matches the profile, the candidate profile we have created. We offer an incentive to those who suggest a candidate that we end up hiring”

I11 “We encourage staff to recommend candidates. If someone gets two recommendations, we always shortlist them if they meet the criteria”

While this is not the only method it is a complementary and a valued part of the GTM program that provides some success. Successful recommendations are also part of performance reviews as evidence of the employee’s improvements, since it shows an understanding of the organisation and a commitment to it.
“...let’s say we identify about 20% of the employees that way. That’s a rough estimate. That’s successful in my world...?”

“...anyway it's not just managers who recommend staff, sometimes employees send me an email too. I haven’t been disappointed with any candidate chosen based on a recommendation so far”

5.3.2.4 Individual characteristics and interests

Individual characteristics were deemed to be more important by our participants in Asean than they perceived them to be in Scandinavia. A person’s characteristics, their personality and traits, and not their values mattered. The focus was often on the candidate’s outside interests and hobbies. This was because it had been noted that, while Scandinavians grow up being part of teams, be it local sports clubs, scouts or other activities, most candidates in Asean had not seen much outside activities where they engaged with others. With team being a key component of performance in Scandinavian organisations and people skills being a trait deemed a key to success finding those that had been active in society was seen as important.

“We try to find people who have an outlook on life, an outlook to career and work that I can relate to. We look for those who don’t see us as a stepping stone to stardom, vast richness, but see us as career choice. Then it’s a lot of personal attributes, IQ vs EQ. I even ask them what news channel they usually watch to gauge their awareness of the outside world”

“We look at their background, try to identify their outside activities, if they are involved in a club or organisation. We don't want employees that have studied and worked only. They need to have a life outside work. We have hired synchronised swimmers, scouts, people involved with churches and NGOs. It doesn't really matter what they are involved with, key thing is that they are involved”

In regard to the person’s traits a common theme was the ability to interact across cultures and to speak several languages. Languages have often been a selection criteria and, while in Asean it is almost assumed that everyone is at least bilingual and in many cases trilingual, that is not as prevalent outside Singapore and Malaysia. However, speaking more than one language was not just seen as having an interest in the outside world but also as having the ability to understand different contexts more easily.
I1 “We expect them to be at least bilingual, preferably trilingual, the more languages a candidate speaks the more suitable they are to an international career. Being able to open up to new environments and new cultures is a key characteristic that we seek in candidates”

I7 “We look holistically. We need a diligent individual that has patience. Our line of work is one where mistakes can’t happen. We want them to be bilingual and be calm people. We can’t afford big egos”

5.3.2.5 Assessment results

Tests and assessments were commonly used by participants. They were more seen as supporting tools that helped select candidates than primary difference makers. Few participants said that they principally relied on them, but some participants noted that they look for those that have done best in a test when it comes to internal talent. The high potentials that are overachievers are worth keeping an eye out for, also those whose personalities are more subdued often perform well in such activities and tests and assessments provide good opportunities to gauge their competencies.

I7 “We have a resource, an assessment centre, where we rigorously test new employees. Both psychometric tests and competence based. For those whose results are good, we ensure they are included in our managerial talent pool”

I23 “We rank the candidates. We invite all suitable for tests, more than 90% of the positions here are engineers so we can quickly judge their skills. We ask one of the local expats to help us. Local as in our staff member, we have four expatriates and one XX here”

5.3.2.6 Key competencies

Some participants mentioned that sometimes you must select talent based on need. When there is a specific skill that is missing, you must find it. Specific competencies and / or skills that the organisation might be missing include accounting, legal, IT, and engineering resources. The people that are sought are often experienced and have specific skills within their competence area, such as SAP certifications or ISO certifications.

I18 “The skills are of course practical, you cannot put a lorry driver in a medical laboratory, so you always start with ensuring that people have the right skills. That may be education, experience or specific competencies that require extensive specialist skills for and often several certificates. This is the base...”
“We need qualified maritime staff. Such qualifications take years, often decades to obtain so we search for and select candidates with qualifications, often out of India or the Philippines”

5.3.2.7 Internal / external recruiters

There has been an increase in the number of recruitment companies and companies have started to outsource what was previously a core HR function. There was a question about what Scandinavian managers thought of external recruitment and how they worked external recruiters. The observations from the participants’ responses are clear, the perception among Scandinavian managers shows that they do not believe in the use of external recruiters or in outsourcing the selection process. They deem selection of candidates to be a core part of the organisation and something that is done to ensure that the organisation is competitive. Choosing the right people is one of the most important tasks for them and, to do that, experience of the organisation and its values were stated to be needed. With people, team and values being of importance the difficulties in using external recruiters are obvious. The training needed for them to understand the contexts and the organisation would be substantial.

“I would never allow an outsider to assist with recruitment. Getting the right people, is the single most important thing for our business and to outsource it will never be on any agenda”

“That’s why I never use recruitment agencies. How can any manager outsource the most important decisions to outsiders? People are what make the difference and we look for people that can work the XX-way”

In fact, out of 22 participants only three used external recruiters and those three participants suggested that they only them for specific positions where the organisation did not have enough competence to recruit themselves, for example, for specific competencies such as auditor or SAP programmer. The participants who were using recruiters almost excused themselves for doing so when asked, showing that they were not comfortable to admit to it, instead attempting to explain why they weren’t handling what other Scandinavians would deem a core task by themselves.
“I usually prefer to handle recruitment internally but this relationship was already in existence when I arrived. He has worked with us for a long time so I felt confident to continue using his service, but it is only for specialists. To be frank, his rates are very favourable and the candidates he has identified for us have been spot on so far, as long as that keeps happening we’ll retain his services”

Most participants had negative impressions of the use of external recruiters. Illustrating that their practices differed from those that the participants expected and the processes used were often seen as less advanced and added to the participants’ work.

“Not one of those long position descriptions, they are useless and just used by recruitment companies to hire candidates they know will leave after two years anyway”

This goes on to show that trust in external recruiters is low but also that there is a belief within organisations that they should care for their core competence, their people, and that trained staff are most suited to making the right decision when it comes to selection of talent.

“We believe that our employees should be identified by our recruiters. Our own employees are by far the most competent when it comes to understanding what kind of individual we are looking for. Using the GTM program as a guiding principle they are equipped to make the right decisions and normally do so. I would never allow an outsider to be part of that process”

5.3.3 Talent development

Talent development is a broad area and most organisations work with it in several different ways. The choice of development tools while often suggested in a GTM program tends to be broad and less specific. This leads to decisions that may be based on limiting factors such as budget. The deployment of development initiatives is not done as an isolated activity but instead part of the wider TM work. Together with the talent pool, there is an eye on the succession planning as there is no real point in pushing developing talent to areas where there are no job openings. Talent development is a common HRM practice and within the GTM program it is based on the competencies identified and skills required for certain positions. This means that a key task is to build the talent pipeline. Scandinavians were noted for their perception that there should always be contingency within the organisation. Should someone leave the replacement should already be trained
and ready, reducing the potential costs that otherwise loosing key talents can mean. However, while they have people trained and ready, there was no public identification of this. It was just work practices. It was also pointed out by participants that should there be a continuous high turnover that is something that counts against the performance of the unit and the manager’s capabilities. This philosophy is a key to the talent development strategies that we identify. The first strategy is to consider how to align the talent pool to future needs. That’s what drives development.

I10 “As long as we don’t have an oversupply in the pipeline, Norway is pretty good to us. We need to keep positions filled but at the same time manage the expectations and not have too many that await promotion, so it’s a balance, but a balance I feel we have good control of”

I13 “If you can’t verbalise a strategy so that the candidate understands their development plan you increase the chance that they may leave. But even if they don’t want to leave, they may think they deserve higher pay or more responsibility and look elsewhere because of that. These things should be judged on a case by case basis and it is not just about knowledge and competency it is about deciding on what’s best for the individual and the company. We can’t have 24 senior specialists working on a project, we need some senior staff, some junior and some assistants. Investing in human capital is important but you have to plan it so that it benefits the company and the individual and time plays a major role here”

I14 “We’re a small office so we don’t have a pipeline like a large production unit. But we try to always have someone in mind for each position, preparing them and training them for their next move, working with contingency. It’s good, if someone is missing or away on projects the office doesn’t stand and fall with that individual employee, instead there is someone ready to step in and take responsibility”

Talent development in Asean faced different issues, issues that the participants said differed from what you’d find in Scandinavia. The participants suggested that such influences the strategies used and how to not just develop but identify and select talent. There were areas of inconsistency and where the GTM program was deemed as not having enough understanding of the local contextual concerns. Concerns were raised that, according to their perception, the GTM program underestimated the complexity in developing talent due to the specific contexts and assumed that especially soft skills, could be taught within a limited timeframe and with a limited budget. While locations will always influence any prioritising among the tools available within the GTM program they felt that the need to take these specifics into consideration was important and that
the GTM program needed to provide further understanding for this when it came to talent development. While the statements were general, many examples of concerns and how they had to be mitigated were provided. The experiences of working in the local context with talent development was one of mixed emotions, positive but also frustrating because there was a feeling that not enough understanding of the reality of the participants existed at CHQ level.

The context shapes the choice of development activities. The participants discussed what development tools they used. These development tools are different and individually adapted but some common themes emerged and they are presented below.

5.3.3.1 Team activities

The most important tool to develop talent was, according to the participants, team activities. When using a term team activity, it is important to understand that team activity differs from teambuilding. Team activities were perceived as of greater importance in Asean, due to a local context where staff are perceived to be more hierarchical and less empowered. Team activities often take the form of project groups entrusted to resolve a specific work-related task or activity and it is not a onetime event but often a project spanning months or even years. The team activity sometimes sources participants across units creating intra organisational networks but this is not as common as groups made of local subsidiary employees. The tasks are often strategic, for example a project aiming to improve port logistics, and require several team members with different expertise to cooperate. While strategic projects are commonly undertaken by most organisations, using them as a tool to improve soft skills is less common. The Scandinavians perceived that inserting a person with knowledge of teamwork and how projects are run helps more with development of soft skills than any course or workshop. The main issue identified here is that the culture differs, local employees are perceived as not being used to what is described as Scandinavian culture by participants, eg, open doors, flat hierarchies and expectations that discussions are held before decisions are taken. Realistic projects help reinforce these key organisational features and make the organisational culture more familiar to the talent.
I23 “We work a lot with teams because that’s where we see that there are weaknesses in the local organisation and among local staff. ... We try to arrange projects where staff can work on real tasks under an experienced facilitator. That’s a win-win, we develop the individuals and at the same time something measurable is likely to come out of the exercise, something that helps our bottom line. It also helps with building networks within the organisation”

I9 “We give specific skills, competencies where needed. We also provide scenario and behavioural exercises. Like team exercises. Team exercises are a key in Asean. It is about working with the people, ensuring they can work together to achieve outcomes. They are used to hierarchies and that makes them dependent on the manager. That doesn’t work in our company, we use a flatter organisation structure where we expect every individual to take initiatives and not be afraid to question and improve processes, to build such an organisation we work with behavioural team exercises and team projects”

While some projects are not strategic in nature they still serve a purpose of showing that hierarchies are flat and that you work together to achieve a common goal.

I16 “For example, we will see to it that people from different departments do something basic, organise our Christmas party, that’s the most basic, but it allows them to work in a team where there isn’t a given leader who gives orders but where they all have to share their experience and contribute. This example is more suitable for new staff, it provides them with a basic network as well as an understanding of what our organisation expects”

It is important to note that the teambuilding is not seen as a contributing developing factor. It is seen as a social function. Team building is an employee benefit that assists the organisation by making it a more desired workplace and builds the employees internal networks.

I10 “Team events are pretty run of the mill. We travel away once a year, Bintan, Johor etc. We do three nights where we have at least two days of informal teambuilding activities and then a day of invited guest speakers and more formal training. We always invite the families over for the weekend. That’s something we learnt from our mentor session, leaving the family made people dislike being away for three nights. Nowadays, the family arrives on either Friday evening or Saturday morning, they stay in the resort while we go off doing our activities. We always have joint dinners, informal because it includes children. It’s good when kids play together, it really breaks down barriers and forces colleagues to interact more”

I12 “Ah the usual stuff, teambuilding, but that’s often a really pointless activity that only the drinkers look forward to”
5.3.3.2 Competence development

It was noted that there was a perceived requirement to identify organisational weaknesses or organisational needs and ensure that there are employees that have the right skills to help mitigate these weaknesses. This is usually done by upskilling staff. Scandinavians tend to refer to this as competence development and it is one of the more frequently used GTM activities. Scandinavians tend to spend more money on this than many others, supporting education and incorporating the families. Upskilling is done through many different activities, part of it is further described under talent development.

Competence development is done at every level in the organisation and not just for tasks but for values too. Competence plans are often used, they are set together with the employee and set out short as well as long term goals where different skills are identified and then a plan for how to acquire them is made. This means that the individual knows that when they have reached a certain level they can expect to be sent to Europe and spend a month being certified on corporate process XX, for example. This provides certainty and is something that limits employee turnover. For more technical positions development may be more focused on specific skills, say use of the Cad/Cam 3D design tool, while for clerical staff it can be both upskilling, say learning the Amadeus Altria corporate travel booking engine and supporting further education for those that have the drive to continue their studies. Skills are one part of competence development, the other is of course competence regarding management and leadership where a focus on building specific leadership or similar competencies are taught. Here there are often scenarios and reality based workshops where discussions are key to anchor learning.

I3 “Like all organisations we offer competence development plans where the candidate is able to improve their skills and become more useful. We work with external providers and send candidates to courses run by XX and by XX. What we also do, which is our own initiative is to provide finance for further education. This is a good initiative. They are then bonded to us for a period of three years, or they must return the money. Quite a few of our junior staff members and the informal leaders have taken this up and it really works”

I5 “We offer courses; we have a full folder of providers. Each employee has 500 dollars of discretionary spending per annum. For training that costs more they need my written approval. We often attempt to send the candidate and their partner overseas for training. Sending them to a neighbouring country is done on purpose, it boosts morale and makes them feel privileged. Overseas travel is
not that common for staff in some of the countries where we have offices, like Indonesia or Vietnam and it is seen as something special. Allowing the candidate to take their partner along is done since we believe that it creates a stronger bond between the employees and our organisation”

5.3.3.3 Inpatriation

Inpatriation is the opposite to expatriation, one sends HCNs to the parent country to live and work there for a period, often between one to three years. This is a process that our participants found extremely useful and wish they could see more of. However, it is also a process that requires a fair bit of intra organisational networking and organisational commitment and cooperation. Often there was a feeling that they wanted more of this then was possible to get. It was observed that inpatriation addressed the most important issues with staff. It helped create awareness of corporate culture, provide experiences of best practice and provide the individual with a network outside the local subsidiary. It showed organisational behaviour as it is intended, and many participants commented that inpatriation was the single most effective GM tool on offer.

I9 “It is 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”

The majority that use inpatriation discuss the scarce resources for it. It is not just about finding a position and a suitable mentor at CHQ, it is also about finding a place to live, obtaining Visas and settling a person in. That’s not easy in large cities in Scandinavia that suffer from a chronic shortage of accommodation and where unions need to be part of the process and approve any such transfer.

I22 “It’s more about resources, to a degree different parts of the company compete with each other. We want to send people for training but there are only so many places available and we can only send one out of three. We want to have people work in Sweden for an extended period but that’s not possible due to a shortage of such positions, those things”
“But even then, it is about a few, finding accommodation, mentors, sorting visas and the correct remuneration is not a simple task. But it is really something we need to work much more with. Just sending employees a few weeks to Sweden is beneficial, they learn much more than what they go there for, they see how we work, talk, interact and they get an aha experience. Definitely something that shows what we have been trying to emphasise and that’s often more important that hearing it”

Several participants who wanted more inpatriation have realised that they can take advantage of Asean and its movement of labour policy. Regional inpatriation gained popularity after it was a key topic of a workshop arranged by the Scandinavian business roundtable group in Singapore. That eye-opening workshop led to several regional initiatives being launched. The regional inpatriation schemes, where sending employees from smaller subsidiaries to work at the regional CHQ is practised, have grown considerably and participants state that it is a tool that they see as beneficial and producing value and they note that the value will increase as time goes by. At the regional CHQ, usually located in Singapore, the candidate gets to interact with expatriates and work in a more stable organisational culture that better aligns with the corporate culture. It also allows the subsidiary employees to build their own networks at regional CHQ level.

“I launched the initiative with regional inpatriation schemes, we had none of that before, but we started by having two other Asians stationed, working in our office, for two years. It’s a trial, but I really believe in it, I see it as the most appropriate way to ensure that we bring the xx way to all offices and subsidiaries”

“We have our own inpatriation scheme running here in Asean. We send staff from our subsidiary offices to Singapore and let them work here for 2 to 3 years. After that they return and the hope is that they then should have picked up enough so that they know what’s expected of them in their market. Regional inpatriation schemes are really easy to work with since it’s all administered by us here and we don’t need to liaise outside”

5.3.3.4 Cross cultural workshops

With most participants identifying that in changing attitudes of employees to better reflect the Scandinavians belief in core concepts, they choose to spend more time working with cross cultural initiatives. This takes the form of communication workshops, or workshops where a core value or mission of the organisation is reinforced. It is noted that such workshops aren’t measurable, they provide intangibles and over time they are seen as
contributing. They also see managers interact with employees, signalling with practice what is theoretically being taught. Cross cultural workshops are being held primarily for HCN and not for expatriates. This does not mean that expatriates do not receive cross cultural education, they do but that’s organised by CHQ as part of the pre-deployment training and not by the local subsidiary.

I14 “Well we work with culture a fair bit. There are cross cultural workshops. Not just for employees who are going back to Scandinavia but also for our local staff. I think the local staff appreciate them much more. It might feel too much for a Scandinavian, but we tend to use festivities as an excuse for cross cultural training. We might do workshops on flat hierarchies, what it means and why we want to see it across the organisation. Then we all celebrate midsummer together. Make an event of it. You can’t teach Asians to be like us, but you can improve characteristics and provide an understanding of what kind of working environment we value and would like”

I15 “Cross cultural workshops are good. However, they don’t provide a measurable return. They are all about intangibles. It’s a slow process and while we may not change behaviours through a workshop we hope that such workshops will help to reinforce the message about what organisations we are”

Cross cultural workshops are also offered by Scandinavian MNEs to those subsidiary employees that are newly employed. Here they get an introduction to the national and organisational culture that they are expected to work within. The workshops combine practical experiences with interaction with PCN and often have PCN managers assist with basic tasks such as cooking or baking to further reinforce some shared Scandinavian values. This also places new employees next to PCN where they work with problem-solving where no one team member is likely to have the expertise.

I12 “Cross cultural workshops are ok. I’ve done a few of them and well, it was more fun the first few times. We often spend a night at a resort and do activities where we all share in the ‘fun’. I think I have baked cinnamon buns 25 times by now. However, while it may be repetitive for me, the combination of these rather childish activities with fact based lectures is worth the time and effort, what we show can’t be understood unless experienced. As you know, this was suggested at first by a fellow at within the Scandinavian community and I think that these days almost all of us run them. There has been some cooperation between a few of us going and I see this as the way forward, reducing the need for me to continuously make cinnamon buns while keeping the workshops”

Another initiative that Scandinavians used to change behaviour into a more Scandinavian way of acting and thinking was work-sharing initiatives. These are commonplace in most
Scandinavian companies. They were made famous by IKEA in the 1970’s where managers spent at least one day a week working the floors of their stores. These programs are replicated today but in less stringent forms. It is not common place in Asia or for Asian managers to do blue collar jobs or work at point of sales or first contact, and the participants noted that it is an activity that has met with scepticism and in some cases resistance. The point of these exercises is to share the values, reduce hierarchical tendencies, open communication between employees and make everyone aware of the teams that are the organisation.

I20 “One example, we place a senior engineer in the reception for a day. Just to make them aware that we are a unit, a team, and not their own little kingdom. It is very useful and recommendable. We do this to ensure staff are aware of the team-effort required to be successful. We are only as strong as our weakest link. I: Ah interesting, how did senior engineers take it to sit in the reception for a day?
R: Ha-ha, they weren’t too impressed in the beginning, at first, we noted some calling in sick, but I just had it rescheduled. These days they have accepted that this ‘Ang moh’ manager requires them to comply with it. You can’t expect them to change, but whether they like it or not, they still get the experience and it sends a signal to the younger staff. The most stubborn old engineers I tend to place with young rather chatty and attractive ladies ha-ha. I sometimes ‘happen’ to walk past and check on them. They seem to be enjoying themselves but when they see me they quickly become serious. Makes my day”

I21 “We do work-sharing. All managers work in the shops for five days a year, no exceptions including me”

5.3.3.5 Mentorship

Some participants mentioned that their companies had initiated formal mentorship schemes. Several more suggested that they use them informally. Formal recognition of mentorship makes it easier to see uptake among new employees. It becomes part of requirements for both mentor and the one mentored. Mentorship schemes provide a more senior staff member to act as the first point of call for the employees. Mentorship is not just for new employees but something that continues throughout the career. This ensures that there is another point of reference that can help the employee understand the organisation, plan their career and provide inputs. It a valuable resource. The issue with it is that mentors need to be trained and have time and our participants suggested that this was not always the case. Otherwise they would utilise mentorship more.
“We try to both formally and informally set up mentorship, in Sweden that’s more informally but in Asia you have to formalise it to really get the attention, most Asians seem to like the concept actually I don’t think it works really well here. Natural ability to take responsibility. We only do local mentorship though, sometimes regional.”

“They know we see a future in them and they get assigned mentors, become part of specific groups where they together are trained or sometimes are given a problem to work on over say two years. These projects are as much to provide a network and greater understanding of the company and how things are done elsewhere than about the task itself. They learn a lot, not just work-related experiences, from this”

“Wow did I say mentor, I did, didn’t I, and well first I need to backtrack we don’t use a formal mentorship program. But we use informal mentors. As part of the talent pipeline we assign junior staff to senior staff and they know their job is to teach them everything they know. They can’t get promoted until the junior is ready to replace them. Carrot ha ha. Having someone to ask, someone who gives a few clues and tips is invaluable. You need someone to turn to when you’re working and the manager isn’t always the right person, loss of face, always asking stuff that just doesn’t look good, so an informal mentor that’s perfect”

While participants often are very supportive of mentorship, there is a matter of having suitable mentors. When a key driver of the mentorship is the soft skills, that implies that individuals with a good grounding in Scandinavian corporate culture are needed. Unfortunately, there is often a shortage of such mentors.

“We tend to assign mentors when we have those. Unfortunately, there is a shortage of suitable mentors. I would like to work more with mentorship but there needs to be the human resources for that”

“We have a mentor plan in the manual. The first three years every new candidate is mentored by a senior employee. That’s not for skills that’s to feel that they are part of our company. It’s usually me and two other Norwegians that handle it here in Sg, we can only take on so many each. Its small talk, we listen to their family situation, their life, their nuisances at work and provide some advice”
5.4 How do managers of Scandinavian subsidiaries in Asean attempt to overcome perceived challenges of their GTM programs and how do those perceptions align with TM literature?

Many of the participants, while supportive of the GTM programs, mentioned that they had concerns over parts of the TM work. There were opinions about the difficulties and additional concerns that using a GTM program within a subsidiary posed. It should be noted that despite people pointing out obvious concerns the attitude was positive and it was clearly stated that while overall the participants were positive concerns about the programs existed for subsidiary managers. The most common concerns are discussed below.

One perceived concern was finance. While the program offers tangible benefits subsidiaries face scarce financial resources and managers said they were under pressure to meet financial targets. Adding practices that do not yield immediate returns is always a concern and time, money and the lack of resources were issues that affected the perception of working with GTM programs for the participants. The GTM program is in their eyes something they would like to see greater funding ability for and they also noted that they would like less to be left to individual units to support.

I18 “Having been part of an organisation, on both sides, I can say that the biggest issue is budget. Subsidiaries demand more funds than CHQ can and wants to provide for activities that CHQ may not always see the full value in or it is just easier to say no rather than increase costs”

I17 “I really need more resources, increased budget and well that’s never been popular. It’s a battle, but it’s a respectful one and we get along well”
It was noted that GTM practitioners requesting financing often due to the awareness of the competition for scarce resources pad their requests and ensure that they build strong and extensive business cases for greater funding.

I16 “You really need to push the boundaries. When I request I really go for it. That’s the only way that I can ensure that I will be given a fair chance of achieving my goals. It’s important to push it and ensure you have a lot of support for the demands”

I12 “There is always a financial concern with this, when is the cost worth the benefit. Sometimes I think that back in XX we don’t understand that we need to spend more money on the soft skills of the employees here for them to comply with the program and succeed. We tend to struggle to get financing for this. Whenever I request funding I need to build the case much stronger than what I should have to. I really give it my best shot and really request more than what’s needed often just so that I stand a chance of getting close to what I really want”

Another common point raised was that there is also further administrative work that comes with GTM compliance. Several participants while discussing resources say that is not an issue in larger organisations but definitely an issue in smaller subsidiaries.

I1 “Then they want a paper trail and that’s good when you have a full HR department but with our limited resources the paperwork is cumbersome”

I3 “We don’t have the local resources to follow every step of the GTM plan, our organisation lacks scale and experience with GTM and this makes the paperwork and the administrative reports that we need to compile difficult to keep up with”

This is further expanded by other participants that notice the lack of flexibility and understanding of the need for time and resources. They suggested that certain practices while good are not feasible in a small organisation or in many local contexts and that they are seen as being bureaucratic.

I14 “The resources required aren’t realistic here in Singapore. Explaining at the first interview that hiring is a four-step process and one of the steps is a panel interview, well that’s just not doable in Singapore. It is not practical nor is it logistically possible, who would the panel be: me, the HR function and every other expat. We don’t have resources for such activities, we’re a small office. Also, how common is such a process in SG?”
Other participants highlight that there are issues with time and resources when it comes to supporting small units in neighbouring countries. As subsidiaries usually handle more than one country they have units in several countries and while some units may offer HRM capabilities there is often a lack of the strategic parts that comprise GTM.

I21 “The program works in Singapore, but if you visit my subsidiaries they lack the understanding and I don’t have the time to guide them on this. We would need people trained by CHQ to assist with this but that’s not feasible, and even if they had such resources that could be sent we wouldn’t have the budget to pay for them”

Most of the participants’ points out that local culture is a barrier to achieving the results they are looking for with TM. They state that while the GTM is good, it is designed in Scandinavia, where the context differs and where the employees have a different cultural background. This means that when the GTM program is implemented in Asean there are things that differ and that aren’t accounted for within the program. The managers point out that this is a challenge they face when working with TM.

I12 “The tasks they can solve as good as any Swede. But when a task requires support from others they don’t have the right people skills to work through other employees and this is a major issue for them and why we always need Swedes here to give a helping hand”

Two main concerns that are mentioned as being very different and affecting the TM work are related to different understanding of hierarchies and communication. The managers perceive that the strong sense of hierarchies is a barrier to the effective implementation of many processes and tasks the GTM program provides. They believe this is cultural and that there is a difference in how certain roles are perceived locally, manager and employee for instance. While the Scandinavians design the GTM program assuming there are flat hierarchies and open communication lines across the organisation, across units and between manager and employees, this is often not replicated in Asean. Not due to the manager, but because the concept differs in a different cultural context.

I4 “The management style, the informal hierarchies, the silent decisions, the calmness, there is lot that’s alien to Asians about Scandinavian managers and management styles”
“It’s the same way with communication, as a manager my door is open, I encourage people to come by and meet and chat and I want managers that discuss an issue before it is an issue”

“We want two-way communication and managers that while they have the final say are part of a discussion that leads to the best outcome. Managers that listen and trust their own employees”

Some even point out that the informality among the Scandinavians may be disrespectful to Asians. This can lead to frustration among employees that perceive themselves to be high up in the organisation. The Scandinavian manager will often interact with and solicit advice from junior staff-members bypassing the line manager. For a Scandinavian, this comes naturally, the closer to an issue a person is the more likely they are to have good information.

“We also have less distance between managers and employees. Managers can ask even junior staff for their opinions and this is confusing to Asians. We don’t follow hierarchy. Sometimes they feel disrespected when a Swedish manager bypasses them, bypasses their position of authority and asks a more junior staff member for advice”

“…their respect for us westerners, they listen and they are scared at first to really interact, question and work with us. We are like masters sometimes. But we expect them to have opinions, to contribute, to share experience or have an opinion isn’t negative in a meeting or at a project it’s expected but this is a big barrier for many Asians”

These situations may create tension in the organisation. While those that have been more exposed to foreign management do not see this as a threat or as being bypassed, other employees see it as disrespectful for junior staff to bypass their line-managers. It is a perception among the participants that most locals expect strong hierarchies and expect the manager to clearly explain exactly what should be done.

“The new generation is better, when they have been educated abroad that is but the old generation, while humble, struggle with management. They are the leader that means people should obey. It is engrained in the minds. And employees thus avoid pointing out things that end up costing the company money”

“The main issue we have is that in Asia employees are not used to actively be involved with decisions and come with opinions. It is much more hierarchal. So, it is important to attempt to build an organisation that facilitates this”
This requires more time to be spent on values and driving initiatives that aim to reduce hierarchies. It is not considered that the GTM program provides enough support for these value driven initiatives, so the local managers take it upon themselves to further facilitate these activities and aim to change the way people interact. A key component here is communication. Communication tends to be more limited in Asean and there is a fear to take initiatives and perhaps work across units where there hasn’t been a formal introduction. Communication between managers and employees is one thing but there is also the ability to interact and take initiatives across the unit. Seeing an issue and acting without formal approval does not come naturally according to the perception of our participants. The fear of working outside the designated position slows down problem identification and solution work. A lot of local TM initiatives aim to change this.

I7 “It’s communication. The ability to speak up, question and to listen. Managers need to listen and not everyone is used to that. We can’t make mistakes so it is very important that all employees speak their minds. We conduct many workshops, training seminars, team exercises to really drive this message home”

I17 “When you see an issue you first look at solving it, and if you can’t you send an email to whoever that potentially is can fix it. When this happens in Asia the person sees an issue, they first think is this my responsibility if not they don’t care or they think about whether they should report it to their manager who will then decide what action that is to be taken”

Another perception that is a barrier to TM is that of the lack of experience of teamwork. Teams are a driving force for Scandinavian management and many of the processes involve working within teams. The perception is that the local educational and cultural factors do not facilitate much learning in this area so that there are less natural abilities in working as a team. There is often a pause while team members wait to hear who the team leader is and an expectation that team leaders will be appointed by the manager etc. There are also more frequent problems within teams. This is something that the participants feel that the GTM program does not take into consideration; GTM programs should spend more time ensuring teams and teamwork are functioning.

I14 “You have to be able to work across not just different positions, but also across units and with CHQ. That’s an issue in Asia. Many staff members have little experience in teamwork. They do their work and sit patiently and wait for the manager to command them”
“Teamwork is something they haven’t been taught, instead its every man fends for himself. We come from very team based companies and this is a culture clash. The amount of issues in teams is large and the understanding that we are all here to help each other is poor. It’s more about just seeing themselves and what they should know and do. If the team then don’t succeed, they have done their part so they don’t think they share any blame in the team failure. We Swedes think differently; everyone does their parts but we all share blame when a team fails. It’s natural to us, we don’t let go as soon as we have done our parts, we know we’re responsible for the whole”

“Another example few here have ever played in team sports. They don’t do much sport at all. In a team-sport you learn a lot of this engagement naturally but sport and sending the children to it is not common here. So, they don’t get this from an early age as say a Swede will. They don’t go to football training and ice hockey training and learn to interact in a group, instead they have individual tuition”

There are different skills that need to be developed in candidates and, while talent development strategies may be centralised, the local HR practitioners are the ones that adjust the plan to meet the needs of the individual. Practical skills are easily developed and planned for and the perception among the participants was that Asian talent are good at hard skills and very receptive to such training. Most of the participants suggested that the need wasn’t so much to develop the hard skills, but to focus on improving the soft skills. Many participants commented that the practical skills in Asean are individually very good but the teamwork isn’t. Individuals often fall back to habits where rank determines who makes decisions and where communication is in the form of instructions. Scandinavians don’t share that belief and they expect locals to adapt to Scandinavian organisations where independence and initiatives are tacitly expected from all employees. This affects the talent development and there is more focus on soft skills than hard skill development since the need is perceived as being for soft skills and ability to function in a team, interact, take initiatives and problem solve without orders.

“We focus on communication and behaviour. They come with good professional skills it’s the soft skills that they lack and that’s where we put our main effort. The hard skills the GTM program and its plans handle well”

“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..."
Another challenge raised by many participants was equality. While Scandinavia ranks as one of the most equal nations on earth, the local context is less focused on equality. Most GTM programs, and Scandinavian corporate control, contain anti-discrimination policies and some have positive discrimination initiatives and policies in areas of gender imbalance. However, the issue was not that identifying female talent was difficult in ASEAN. To the contrary, female talent was plentiful and very capable. Most of the participants said that they found they preferred females when they selected and identified talents. Females, who by 16 participants were said to be their preferred candidates, were sometimes held back in their careers by contextual factors, for example, pressure from family where there is a strong belief that women should not be more successful than their husbands or by older colleagues that struggle with female superiors. These factors need to be monitored or talent planning may be difficult. This was an issue that was touched upon in the interviews and one where the participants suggested that there needs to be special concern taken and an understanding in GTM programs for this specific contextual issue.

11 “It is harder to develop talent. For instance, females often get told by their families not to progress or advance their careers since they may earn more money and obtain better positions than their husbands. That makes the husband, and his family, loose face. So, it’s hard to know sometimes. We may have the right person but his/her context isn’t always supportive”

117 “…these days I think we recruit 80% females for graduate positions, problem with that is that they tend to have children and in traditional Asia they should then be traditional housewives. We lose some talent due to that. Females face a lot of pressure from their in-laws. Especially in Malaysia and Indonesia. Singapore too, but the females here are stronger, more independent and expect to have their own careers”

Several participants expanded on gender and employer branding and went on to say that Scandinavian managers, and they assumed western managers in general, are preferred as managers by local females since they are considered to be more open and fair.

114 “The amount of Singapore females who do not want an Asian manager is very high. They don’t think they are fair nor equal, this means that they really appreciate working for us and that they are very loyal to the company”

Gender wasn’t the only concern when developing talent and many of the participants commented that costs were higher when you focused on continuous soft skills compared
to hard skills that were easier to budget and justify. With soft skills being discussed continuously and seen as a major constraint, there were discussions by the participants about suitability for managerial positions. To manage is one thing but to manage in a Scandinavian organisation requires an understanding about how to work in such an environment and to appreciate the culture and the way things are done. Participants stated that often qualified candidates lacked managerial competencies. This led to participants disagreeing with the GTM programs which mostly suggested that a long-term goal was localisation of management.

I1 “Being very skilled is not the same as having management qualities. Management qualities are people skills and that’s often missing in very competent Asian employees”

I15 “It is also about understanding what it means to manage. This is where we continue to work with skills through further competence enhancements but also work with the soft skills such as management of teams and group think. It is very important to teach, especially our engineers that being a good manager is about influencing fellow employees not just about being qualified”

I6 “We need to build their leadership capabilities. No that’s not right when given formal authority they handle leadership well, it’s when you expect informal leadership you don’t get the results you want. Building that trust, that knowledge that informed opinions or questions are something good, that takes time and we work continuously with it”

Monetary concerns were mentioned by 12 participants as an issue and concern when developing talent within Asean. They commented that for them to achieve the results they want, they would need more funding and focus more on core activities that they know work, such as inpatriation, but there is a lack of resources for that.

I18 “We can’t achieve the same result as Scandinavia. People here are different and we need to compensate for that”

I11 “This is a different context, we need to focus on the employee, we need to add components to our development of our talent. Skills that we take for granted in Scandinavia do not exist in many locals. Learning those skills takes time, costs money and resources and we don’t have enough any of those”

With monetary concerns, they also commented that the local talent is more likely to see monetary rewards as a key difference maker than in Scandinavia. This makes comparative GTM propositions rather difficult. Comparing with Scandinavia or even between
Singapore and the rest of Se Asia, it was perceived that salary levels made a difference when it came to talent retention. While a Scandinavian may not see $200 a month as a difference maker, some Se Asians will. This further helps explain why there is a need to identify employees who share values in Se Asia and it may assist with explaining why there is such a focus on best fit among when identifying talent among Scandinavian companies.

I22 “...perception of time and money, people can leave us for 25 dollars more a month. I always wonder why they don’t aim to develop themselves instead of chasing a quick return, they’d earn a lot more long-term that way. It’s a mentality, among the men, especially so”

I2 “In Se Asia it is not hard to find high quality talent, however the lure of slightly higher pay is strong. You may have good candidates that leave you because they are offered $300 more a month somewhere else. Money matters a lot here.,” “That’s why the guidelines identifying what to look for in our candidates are so important. We need to keep the turnover-rates low and to do that we need good recruitment”

The local context influencing work practices with talent and talent development was a concern to many participants, especially those with offices outside of Singapore. Surprisingly here, the main issue is not with corruption but with government policies and networking instead of meritocracy.

I6 “Malaysia is difficult; it is on the verge of being an apartheid system. Worst is we try to hire the best and most suitable candidate be it Malay, Native, Chinese or Indian, that’s part of our policy of non-discrimination. But tell that to the Malays. Minimum 40% Malays should be hired, it’s all about race and not about skill or suitability. We constantly have public servants that try to interfere with our HR work”

While TM was something worthwhile, there were tensions identified by the participants. Many of these were location specific and more about behavioural concerns than with the GTM program, its components and activities. The GTM program is a tool that works where there is some cultural hegemony but not as well when the culture, habits and values differ. There were calls that this needed to be considered and that the feedback to Scandinavia on it needed to be improved and formalised so that there was a two-way understanding.
The GTM program doesn’t account for the traits of people here. They follow the leader more. They are scared to make mistakes and are very top-down. We can’t use the GTM program and expect results unless we first work with values and characteristics. With Asians, it’s about developing their values and their minds so they can engage with Sweden and build their career. The people back home always whine about Asian staff and why they don’t change or fix obvious stuff but that’s because they are scared to do more than what their task asks them to. Taking initiatives is hard for them because managers tend to clamp down on it in Asia. They network and talk and have their safety from that, taking risks is rarely rewarded in their culture.”

There were discussions about how much you can expect to be standardised. How much can be gained by standardising while working with unique individuals, individuals with different cultural backgrounds. The notion that comparisons are made and that expectations to perform at specific levels are insinuated was something the participants questioned. The ability to understand Scandinavia and Scandinavians while still being Asian was something participants mentioned as time consuming and not accounted for in the TM program. This has led to further discussions about abilities to improve the GTM program and calls for localised amendments and adjustments.

“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”

The one specific action that was mentioned as most helpful to make Asean employees perform at the high levels expected was the use of PCN HR Managers. Those were seen to bring the right values and understand the match between developing skills and keeping the corporate culture. They were seen as being the best tool to ensure talent development took place in accordance with Scandinavian beliefs and they kept considering strategic fits and didn’t take shortcuts to improve numbers. The issue with HR in Asean is that it is often a compliance function and not a strategic or developing function within organisations. Thus, the participants suggested that using a PCN would be suitable.

“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 he 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 participants were not always inclined to accept assistance from CHQ. When CHQ tried to assist with initiatives such as courses and with companywide resources the response was often lukewarm citing that there is a clear lack of local contextual understanding and the courses and/or resources were not suitable for the local context and not the kind of initiative most needed by the organisation in Asean.

110 “CHQ organises a cross cultural course. To be honest most think it is pretty poor. It fails to understand that candidates from Singapore, a highly-advanced country whose tech sector is on par with ours, do not need to be brought up to date with how technology is used in Scandinavia. To the contrary that is patronising them. It feels like it doesn’t adapt to the context of our employees but instead use a one-size fits all”

To conclude the look at challenges we can in Table 5.4 see that some of the challenges identified are internal and others are external. As we can see the internal issues focus on time and resources while the external is focused on culture and local contextual factors. The external challenges are plenty and they focus on where the participants believe there is not enough consideration taken in present GTM programs and where some adaptation and further work is needed. It is important to note that frequency is not a measurement of importance. But it does provide a graphic descriptive understanding of the prevalence of challenges and the weighting placed upon them by practitioners. The depth of the phenomena is here understandable. It provides a view that shows the specific challenge that employment of GTM in subsidiaries within different contexts poses and where practitioners see the biggest challenges.

Table 5.4. Internal and external challenges to GTM programs

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5.5 Other findings of significance

Several key patterns emerged during the interviews that are worthy of their own theme. First, as the participants’ scepticism towards localisation of management became identified, it was expanded on. It was discovered early and questions were included to probe this interesting aspect further. Second was the wish for more Scandinavian HR managers to work in Asia, this came from the belief that people are what Scandinavian managers need to work with and to do this most efficiently a Scandinavian HR manager would assist. Thirdly there was a discovery that almost all participants changed the GTM program to suit local conditions without formal approval of CHQ. Finally, it is noted that Scandinavians do not adhere to the idea of using the term talent or TM programs, instead preferring other names for the programs.

5.5.1 Localisation of management

Having listened to the participants, one of the key themes that emerged was the opposition to localisation of management. The assumption that successful talent development would lead to local employees being able to step into management positions was not correct. The participants thought the opposite and suggested that it is vital to have Scandinavians running the business and that they were not attempting to localise management. In fact, 21 out of 22 participants stated that they would not see a local person succeed them and that, while localisation might be a goal, they would not attempt to localise top management.

I1 “As long as I am here there won’t be a local manager. It doesn’t work in Asia”

I16 “It’s one of those goals that progressive left-wingers may ask for but it has little relevance in the real world. Out here we know that localisation is not something that we do unless the country has a population and candidates that can substitute a Swedish manager. That works well in say Germany, Denmark or even Canada but it doesn’t work in Malaysia or Asia at all for that sake.”
Here we need people not just with experience from Sweden but also with networks, with cultural knowhow. It’s a must to have an expat manager and I’d like to hire more expats if I could”

I22 “I know this sounds strange but we aren’t, we will always need management to be Swedish. It’s our soul, with Swedish that doesn’t naturally mean Swedish nationals but it means people who have worked over at the production units and who are familiar with the culture, the way we think, the processes and who have a good network back home. As long as they are that, they are suitable candidates, but promoting someone local to regional manager, that’s something I don’t see in my lifetime. Country manager yes in some cases but that’s as high as I see it without them having spent time at other locations in the world and part of it back in Sweden”

I14 “That won’t happen as long as I have power. We need Swedes here, the more the better”

While local managers were not in favour of localised management, there were quite a few that noted that their GTM programs aimed at localising management. Here we can see that the participants choose to follow their own will rather than adhere to the expectations from CHQ.

I11 “It’s our goal to have as many local employees as possible and eventually CHQ hope that management will be local. However, that is not something I will facilitate nor do I think local management is good practice”

I2 “…is localisation of management is a goal for your company?
R: It is a written goal yes.
I: Written goal, I see. Have you had any success with it?
R: I don’t think it will ever be more than a written goal”

There were several main reasons why participants didn’t support localisation of management, and they are discussed below.

5.5.1.1 Scandinavians have specific skills

There was a perception that skills, primarily soft skills were needed and that the Scandinavians brought those skills while the locals didn’t have them. Many of these skills are not easily teachable but may be learnt through tenure. The notion was that since locals didn’t have these skills they were not ready to take on management positions. This led to a discussion of what it means to manage, what instinctively knowing something is and how it relates to culture. Skills such as teambuilding, values and how to create
Scandinavian organisations where people work and speak accordingly take years to master and are seen to be skills local managers lack. It is acknowledged that competencies are there, it is the lack of soft skills that is the perceived reason.

16 “We are a Swedish company and in Asia you need a Swedish manager. Not because of competence, we can teach employees tangible skills but we can’t teach them the intangibles. You need someone who speaks Swedish and who has spent years working in Sweden and learnt what it means to work for us”

115 “There is no way a local, really good HR manager would know these issues by heart. We know what culture, what characteristics, thinking that’s expected instinctively. An Asian HR manager doesn’t and would need to rely on GM and other managers to assist.”

“Management is harder to teach, everyone thinks they know what it means to be a manager but it’s not easy. In Asia, many assume that what the manager says is what must be followed but we don’t want that. We want two-way communication and managers that while they have the final say are part of a discussion that leads to the best outcome. Managers that listen and trust their own employees. That philosophy comes natural to us but it is alien to Asians”

5.5.1.2 Scandinavians as guardians of culture

Scandinavian culture, organisational, is built along perceived common shared ideals that are vague. The perceptions are that Scandinavian managers are placeholders that keep on carrying the organisational culture on into the future. With most organisations being old, often 100 years, that may be understandable. The use of symbols, stories to anchor what the organisation is, provides a context of expectations that managers perceive they cannot see existing in local talent.

19 “We need a Swede as a symbol and to carry the tradition. Ensure the company stays Swedish”

16 “We adapt certain things of course, we localise structure, adapt it to fit into the culture where we are present but we don’t sway away from what made us successful, what made who we are, our culture, values and ways of doing this. I think that would be the wrong way to do business. I believe local staff agree, well those who have bought into our values”

116 “We need the Swedes in the company, we desperately need them out on the projects, ensuring production runs smoothly and they ensure we work according to our values and that employees are given a fair chance. Swedes understand teams, understand how we want to work and are living examples of what our workshops aim to teach”
5.5.1.3 Scandinavians have networks and connections at / with CHQ

Some participants looked at the practical side of things. Without an established network within the MNE it is hard to achieve set goals. It is hard to influence and make one’s voice heard. Such ability takes time to build and the perception is that local managers would struggle because of their lack of such networks. It was deemed by the participants that having an internal network, based on personal connections developed over time are equalled getting things done. This means that in competition for scarce resources networks are a must to succeed.

I12 “We need Swedes, their ability to understand the company and act as a bridge between the company and the local country is invaluable. It is also about networks back home I can call, and get things done, while someone who doesn’t have that relationship just can’t. I can call someone at 8pm and be nice and say sorry special case because I know them”

I3 “It is also very hard to get things done unless you have the right networks at CHQ. The respect you command from CHQ is not there unless you have worked with the company for many years and they know of you”

5.5.1.4 Trust - Asians prefer to deal with a Scandinavian

There was also concern about Asian stakeholders. It was suggested that Asian customers prefer to meet Scandinavians (or as in the case of I4, the jargon used to describe white people in various Asean countries) and that such a meeting builds the trust needed to make business. There is also a perceived advantage when recruiting and retaining talent, the notion is that some Asians, particularly females, prefer to work with Scandinavian managers.

I23 “It’s also a matter of having a Norwegian profile, if a client hires us they expect to deal with Norwegians not to deal with SG staff only. We need that presence, many of our clients are Norwegian too, we must remember that, our cooperation with them has been going on for a long time. If we brought in locals only that wouldn’t work”

I4 “Among clients that’s a no, no. They believe in the Ang moh, Mat Saleh, Bule or Kano face. You are immediately treated differently if a Scandinavian man runs the office. You need a Scandinavian to give the right trust, professionalism. Less so in Singapore of course but in the rest of the area we cover it’s the extra ten percent margin if you ask me”
“We’re Swedish and so are management. Asian customers don’t want to meet locals, locals implement and handle the practical, but we show respect by being here, guaranteeing what we do and the products”

“We are also the face outwards, we attract both clients and candidates by being under Swedish management. The amount of Singapore females who do not want an Asian manager is very high. They don’t think they are fair nor equal. Having Swedish management is a bonus that provides value and it won’t change over the coming 20 years”

5.5.1.5 Expatriation is a perk

Many of the participants also suggest that to localise management would mean that PCN will feel demotivated. Going on an expatriate assignment is a carrot and a reward that many PCN strive towards. Take this away and there is a perceived risk that PCN may leave for competitors and not stay as long with the companies. The reward of being an expatriate is a strong drive for many to choose to work for the MNE at CHQ level.

“Also, for staff back home, the opportunity of getting an overseas placement is a reward, take it away and people are less inclined to stay with us”

“Expatriation is the reward for a job well done. It’s a career perk”

5.5.1.6 To keep control over the company

There are also those that observed that the organisation was not ready for the challenges and the new situations that would occur when local managers took over the organisation. Differences in hierarchies, questioning and thinking would prove difficult for employees at CHQ to understand.

“I don’t think Asia is ready for Asian management of Swedish companies yet and neither do I think CHQ is ready for the challenges it would mean to have Asian managers to liaise with”

Several go on to suggest that instead of localising management, there is a need to bring in more Scandinavians to work with local employees.

5.5.2 Scandinavian HR Managers

The participants’ main suggestion to improve the implementation of GTM programs was to increase the number of Scandinavian HR managers.
I17 “I was sent here because having a local on the HR position just isn’t working. They need to understand Sweden to perform the HR manager role like we expect it. HR advisors, consultants, admins, recruiters sure, but we need the manager to be Swedish or we lose most of the values, the culture”

I20 “We need more Swedish HR managers here, that’s an issue many Swedish companies face. Locals focus on individual compliance, but we need HR managers whose focus is on coaching teams”

The participants suggest that working with people is the key to success and it is observed that when you mix values and value based organisations you need someone that can dedicate their time to those values and instinctively understand them. This takes time to learn and few locals have that opportunity. The role that a Scandinavian HR manager can fill is not just that of culture, it is also a symbol, someone that acts like the program prescribes.

I22 “Few companies understand the value about having an HR manager that really understands the culture. When culture is so important when the ability to work according to systems and having the best procedures and systems are seen a key in the competition, they still are scared to spend the money to have Swedish HR managers. I cannot understand this; HR manager should be one of the first in any value based company that goes to an expatriate”

I18 “It is different and first 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 he 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”

5.5.3 Talent Retention

When talent is discussed there are ways to measure if candidates are satisfied working for Scandinavian organisations. One such measurement that is common, in academic literature, is talent retention. The participants discussed retention and the numbers achieved. The main observation here was that retaining talent in Asean isn’t harder than in Europe. There is however a need to be careful with pay since it is deemed more important. The general observation was that retention was not an issue at all for
Scandinavian organisations in ASEAN. To the contrary there was a belief that there was
greater supply of talent than there was demand.

17 “There are at least 25 qualified applicants for each position. The supply of
talent in ASEAN and for that sake in Europe or Asia far outstrips demand”

19 “There are many qualified candidates that come knocking, we really haven’t
felt that there is any shortage at all, or competition for talent. I think a few of
those companies bring that situation upon themselves by constantly recruiting
each other’s staff and that creates a spiral”

112 “How any company can say that there is a shortage of talented employees
is beyond me, maybe they only look for the finished product at all levels and
thus struggle, but even then, I can’t see how they see a shortage of candidates.
Not in Asia at least and I have been all over. I am also part of the roundtable
with the Swiss/Germans here and none have ever mentioned to me that they
struggle to attract talent. I don’t see that there is a lack of suitable candidates
for positions anywhere in the world. Well possibly if you are looking for rocket
scientists but for normal organisations there aren’t”

When asked specifically about the retention numbers, the participants stated that results
were higher than almost wanted and that they often had retention rates close to 95%.
While 92% is often seen as the holy grail of retention rates, anything above 85% is
acceptable performance and having more than 95% rate is seen as almost having no
change in staff and shows that the commitment to the organisations remained very strong.

19 “I: What about your retention rates?
R: High. Very high. But not as high as home. We have to be careful, Singapore
offers more opportunities and some office staff will leave if offered 200 dollars
more elsewhere. Pay is important here.
I: So, do you pay market salaries to retain talent?
R: No, no, the opposite. We pay below average. We don’t look for candidates
that are after quick paydays but those who share our values, like to work in our
organisation and want to develop themselves with us.
I: Any precise numbers?
R: Last year in the high 95”

110 “Slightly higher than CHQ so no issues. It’s all about selecting the right
person”

112 “Textbook 92%. There are always employees we lose, but to be honest it is
not a major concern. We rarely poach staff of our competitors either, we don’t
want to be involved in those games”
I18 “Too high, around 96%, depends on what territory, slightly higher in Sg and lower in the rest of the countries”

With the popularity of the term “the war for talent” the researcher specifically probed every participant further to see if the participants felt that such a term resembled their lived reality. No one felt that it was anything like their lived experience, to the contrary, they perceived that there was a lot more supply than demand for talented individuals and that war for talent was something they had never come across or seen. Some went as far as suspecting it to be a marketing ploy made up by the major Anglo-American consultancy companies who they deemed saw such a reality as positive for their business.

I13 “That’s just a myth, there is an abundance of talent around and I have never been in a situation where I can’t find suitable employees to fill any openings. That’s just consultancy talk so they can justify their existence and sell their services to an unsuspecting public”

I16 “The only ones who think there is a war for talent are those that never develop their own staff. We have a pipeline of talent that is committed to us and want to grow with us”

I15 “That’s as big myth as that rubbish, what was the name, six-sigma. Has any company that went all in on six-sigma not gone bankrupt? I know Motorola did and GE almost went bankrupt after having the tool ruin them, GE Finance is no more even. Nah that’s just sad and sales talk by consultants that couldn’t find enough work. There are no such things as the war for talent and never where”

I22 “There is no such thing as a war for talent, that’s an invention by recruitment companies looking for more business. We have hundreds of highly qualified candidates for every job and we receive thousands of unsolicited applications every year”

5.5.4 Changes to GTM program initiated by local manager

The participants noted that, while the GTM program was an important tool, they adapted it to suit their local context and according to their own understanding of what was needed. This makes any comparative approach to talent more complicated.

I14 “They have their culture and that shows in the employees. That’s why we need to adapt the handbook to the region, ensure that the weaknesses can be addressed while we can build on the local’s strengths. The capabilities and comprehension is great, it’s the social skills, the teamwork that’s lacking”
“...we have the program but we only follow what we deem suitable for Asia. It’s my job to ensure that we have qualified staff and well the program is written by Europe and not by someone that understands Asia”

“The thing is, we have a great GTM program at CHQ. They use it for selection, development and identification in Scandinavia. But in Asia, they have no clue who to hire. There they rely on the local organisation and we hmm have our ways to accomplish our objectives. We have access to a lot on the intranet but having access is good but there is also hmm how to say; reality”

When asked if CHQ was aware of the amendments taking place it was noted that no, they aren’t.

“Do you think CHQ assumes you all follow the exact same model? R: Yes, but they assume a lot”

“I: Do you think CHQ assumes you all follow the exact same model? R: No, they shouldn’t”

However, it was pointed out that with a position overseas comes an expectation that the staff, the PCN, are qualified to make judgements on what parts of a program should be used, and what parts need amending and adjustments.

“Not really, I don’t think they know what we adapt, but I do think they understand that we adapt it. I mean we do expect local staff to work and function in a Swedish organisation and communication differs, norms and values differ and it’s for us in HR to ensure that despite these differences our employees understand what’s expected from them. We can’t accomplish that using a specific GTM program, instead we need to use the spirit of the program and based on it create a local best practice “

“I have been put here because CHQ knows that I am good at what I am doing. They trust me to make the right choices and if I see a need to adapt a HR policy or a TM program I will. That’s within my authority...”

The TM programs need to be amended to adapt to local conditions.

“In Asia we need to teach staff to take responsibility themselves and not be scared to ask questions and learn. To communicate without fear and we need to teach staff members to be open, accepting and coaching, we believe strongly in that and if the person doesn’t coach but instead gives orders they aren’t suited to be managers at our company. It’s about bringing down the knowledge within the stores, from the CHQ to the region, to admin to the stores”
“Our focus is on culture and trying to build a similar organisation like Sweden so we focus more on that than what I think competitors do. It takes time to make local staff understand what our corporate culture is to them, it’s different to what they have experienced before. We’re very focused on our sector as well, we want employees to be knowledgeable about it and I don’t think large players care much about that”

5.5.5 Usage of TM – linguistics

While TM and GTM programs are commonly used words among English speakers there is a very noticeable resistance to talent as a word among the participants. Many participants stated that they did not approve of the use of the word TM. They found such vocabulary exclusive and old fashioned and the assumption being that talent is, by both them and local employees, equated with a few select high potentials and not an inclusive term. The participants noted that the organisations didn’t use talent as a word or TM in their GTM program instead giving it generic names such as “Global people management program” or the “XX company way for employees”.

“…we don’t refer to it as talent management program but yes we definitely use one, we don’t like the word talent management, its exclusive and we are an inclusive organisation”

“We have that but I don’t think it we use the term Talent Management; we refer to it as our Employee Development Guide. I find talent a word that’s best avoided”

“Talent management is an unfortunate word. I don’t understand why we discuss talent; talent is something you equate with those boys that were the stars in the junior football team when you were in school. Who, what respectable practitioner, would voluntarily hire someone they don’t think is a talent to their organisation. I find the choice of words used unfortunate and I really believe we should change it”

Some participants let it shine through that they are not sure if TM is something new, instead hinting that it is more of the same but with new titles.

“We were involved in talent management before it became known as talent management. I’ve been coaching staff in our organisation since I started here in 2002”
5.6 Summary of the chapter

This chapter has presented the findings based on the experiences and perceptions of Scandinavian managers living and working in Asean. The data was gathered through semi-structured interviews. The objective of the interviews was to understand the perceptions of the participants, their understanding and experiences of talent, TM and key TM functions as well as what they perceived to be the biggest challenges to TM work at the subsidiary level of a MNE in Asean.

While some main nodes were developed a priori from the literature and the pilot study there were further nodes that emerged as the coding of the interviews progressed. The need to understand what the participants were saying became clear as the transcribing took place. Often, the depth in a small comment is greater than what at first could be understood. Chapter 6 will discuss these findings in relation to literature presented in Chapter 2. It will also discuss and identify how findings articulated in this chapter can be interpreted and related to Scandinavian management practices.
Chapter 6: Discussion

6.1 Introduction

This thesis has investigated the perceptions of GTM programs by managers working for Scandinavian subsidiaries in Asean. It has taken an interpretative approach to examine and understand their experiences of working with a GTM program designed at HQ level and then employed and implemented within a subsidiary.

This chapter will relate the main findings to each research question. The chapter seeks to provide an understanding of how the findings contribute to research and present knowledge. Its discussion presents the main contributions to theory, based on the understanding and experiences of our participants. While there were differences in TM experiences and perceptions among the participants, it was possible to identify some common themes (see Chapter 5). This chapter highlights literature themes discussed in Chapter 2 with a particular focus on: first, understanding what is a talent and who is a talent; second, how are the core TM functions employed and operationalised in the subsidiary; and third, what are the main challenges for GTM practitioners at subsidiary level.

The chapter is structured as follows. First, there is a discussion of TM and the research tensions associated with TM programs. This is followed by a discussion of the core philosophical assumptions that underpin TM, focusing on talent perception by participants at Scandinavian subsidiaries. Their fundamental beliefs of talent and TM are found to be shaped by their own and their organisation’s perceptions of what a talent is and who is a talent and how these perceptions drive TM practices and processes. Having
clarified the philosophical underpinnings, the chapter discusses the three core functions of TM: talent identification, talent selection and talent development. This is then followed by an in-depth discussion about the challenges of TM at subsidiary level. Finally, the chapter finishes with a highlight of some other significant points of interest that have appeared during the interviews.

Thus, the main part of the chapter focuses on answering the key research questions:

1. How is talent and talent management perceived by managers working for Scandinavian subsidiaries in Asean and how do those perceptions align with TM literature?
2. How do managers working for Scandinavian subsidiaries employ their GTM programs to help identify, select and develop talent in Asean?
3. How do managers of Scandinavian subsidiaries in Asean attempt to overcome perceived challenges of their GTM programs and how do those perceptions align with TM literature?

In discussing the research questions, it important to stress that the TM literature has focused on MNE HQs while this research has taken a very different approach. The empirical research focus has been on subsidiaries, only on subsidiaries of Scandinavian MNEs, and only on Scandinavian subsidiaries based in Asean. In particular, the foundation of the empirical research is based on the perceptions of international managers who have been long term employees of Scandinavian MNEs. This empirical research focus has had a crucial impact on the research findings in Chapter 5 and will generate, as shown below, understandings that are quite at odds with crucial literature themes.

6.1.1 Talent and TM tension

Talent is a concept that researchers disagree on. There are, as discussed in Chapter 2, even some which question talent and TM and query if this is just HRM with a different name or whether it is really its own field of enquiry. This critique is grounded in a lack of definitions and limitations to as well as a tendency of the research to be normative and assume that findings are universal despite the research being context specific (Collings & Mellahi, 2009; Dries, 2013; Hellqvist 2011; Iles et al., 2010a; Vaiman et al., 2012; Tarique & Schuler, 2010). Iles et al (2010b, p. 274); states that “The tendency of the talent
management literature to slide off into vague but appealing rhetoric is causing commentators to question whether TM is not just a management fashion”. While tension is, by some, suggested to be normal for a research field that is considered to be in its “growth stage” (Thunnissen et al., 2013) it is important to acknowledge that TM is a field where activity is not just prevalent among researchers but a field where participants are very active. In fact, they suggested that TM could be the single most important HRM question factor for achieving sustainable competitive advantage in the coming decade.

This research has focused on advancing the TM field and making its findings less normative and more grounded in empirical data. It focused specifically on the operational side of TM in order to provide a greater understanding of how TM programs created at HQ are perceived and acted upon at subsidiary level. So far little is known about subsidiaries as research has mainly been undertaken at HQ level. This research did thus look at how talent and TM programs are perceived, worked with and handled in subsidiaries across the MNE organisations. It also added a new context, that of Scandinavian TM. Do Scandinavian MNEs do something different and if so, what is it and how is it perceived?

6.2 How are talent and TM perceived by Scandinavian subsidiary managers in Asean?

This question helps understand the participants’ underlying philosophical assumptions in regard to talent and TM. It addresses the issue of who is perceived to be a talent and what is perceived to be a talent. It then goes on to provide perceptions of TM and GTM programs.

The main body of literature focuses solely on talent as being an individual employee. It sets out to select and identify specific individuals (who) are talents, based on particular
characteristics and traits (what). The first discussion, who is a talent, focuses on the MNE underlying philosophical assumptions of talent: is it something inclusive or exclusive; are there many or few talents available? The second discussion centres around what is a talent and focuses on underlying assumptions of talent characteristics such as: is talent innate or developable? These philosophical perceptions and understandings will influence the design of TM practices and processes that form the core of GTM programs. That is why there needs to be an understanding of the underlying talent perceptions and philosophies before any investigation of specific TM practices.

6.2.1 Who is a talent

One of the most fundamental questions of talent discusses who is a talent. The literature tends to divide the fundamental choices into two main areas, whether the underlying philosophy is one that believes talent is inclusive or exclusive, see Figure 6.1.

While the literature discusses these distinctions (Gallardo-Gallardo et al., 2013; Dries, 2013,), there is little contention among our participants: for them talent is everyone and this puts them under the line in Figure 6.1. They perceive talent as being inclusive and stable. Our participants believe that talent is developable but that managers and
employees should identify together where each employee has their highest development potential.

An inclusive approach to talent is the least common assumption in literature. Ready et al. (2010) found that the exclusive approach was the most commonly used and the one that produced the best outcomes. Boudreau & Ramstad (2005), Gallardo-Gallardo et al. (2015), Höglund (2012), Iles et al. (2010a), argue that there is convincing evidence suggesting that an exclusive approach to talent and TM is most likely to produce a strategic advantage for the organisation. Bothner et al. (2011) found that a focus on the most talented employees and best performers will improve the organisations further. However, Stahl et al. (2012), who conducted the first empirical multinational TM research project, did not find any support for suggesting that either of the two approaches was more efficient than the other. Instead they suggested that assumptions of talent need to align with TM practices.

Our Scandinavian participants are unified, however, in using an inclusive approach to talent and seeing talent as something developable and not innate. They also add that talent is not just an individual concept, which is the assumption in mainstream TM literature, but is both individual, team-based and organisational. The prevalent literature view assumes that the individual is greater than the effort of the group and our participants were not comfortable with this assumption. For them, who is a talent is not singular (individual) but instead plural (both the local unit/team and the individual). That is important since this present assumption (that talent is individual) is universal and underpins present literature and thus our understanding of the entire concept of talent and TM. For our participants, their local units can be talented and a core part of their TM work attempts to identify, select and develop units who become talent when put together. This is often forgotten since focus is mainly on the individual or the individual characteristics. This shows that there are several different ways to identify who is a talent and, while the individual is at the core, it is not the only perspective. An individual is a talent but the local units, be them local teams or organisational units are also perceived as being talent.

Our participants also questioned the equalling of talent with high potentials, high performers and so-called A-players. These assumptions go on to shape the TM activities undertaken by our participants. They point out that in their opinion, beliefs such as TM
being for a few high potentials are only prevalent among those that have not worked operationally with TM programs. Instead their view is that the core assumption underpinning a TM program is to make the most out of every employee. In fact, most argue that the idea that any organisation would limit the number of talented employees is not realistic. The primary task of TM is to identify, select and develop employees and few of our Scandinavian practitioners believe that such core functions are exclusive. Instead, their view is exemplified by the following: what manager would allow an organisation to keep employees around that are not talents? In fact, several participants go as far as questioning even the usage of the word talent and instead suggest, in their eyes, suitable phrases that better illustrates their perception, for example human capital. It is our participants’ view that the idea that any organisation would identify and select individuals that they don’t see as talents, that they see little potential in, is farfetched. According to our participants, this belief is something that they have brought with them from their time in Scandinavia. It is speculated that due to the high cost of hiring and training employees in Scandinavia the belief that each employee is a resource that needs to be nurtured and made the most of, comes naturally to any Scandinavian manager.

Their inclusive approach to employees as talent shows that our participants believe that each employee is assumed to have specific strengths and weaknesses and identifying and developing these strengths will lead to a competitive advantage for the MNE. Groysberg et al. (2004) pick up on this and note that when there is an inclusive approach to talent, there is a more egalitarian division of the resources which leads to greater morale among the employees. Scandinavian management has been known to be more egalitarian and have low power distance and this can be seen in the TM program through their usage of inclusive TM philosophies and joint discussion and identification of strengths (Holt-Larsen & Bruun de Nergaard, 2007). The Scandinavian participants, while acknowledging potential benefits to employee morale through inclusive approaches to talent, regard an egalitarian division of resources as the core of their management philosophy. They believe that by involving all employees they create a team and it is through the team that a strategic competitive advantage will be realised. This approach to management aligns with traditional Scandinavian value based management and sees support in prior research of Scandinavian management (Holt-Larsen & Bruun de Nergaard, 2007). Outside of Scandinavia Buckingham and Vosburgh (2001) noted that egalitarian division of resources and long-term development of talent is a characteristic of inclusive approaches to talent.
Scandinavians can thus be said to be looking for the “Mark effect” where a spread of resources to all employees and treatment of employees as equals is expected to create strategic benefits for the organisation. This differ from the “Matthew effect” where resources are directed towards the so-called high potentials and they are given the opportunity to excel and shine while other employees are just there in a supporting function (Adamsen, 2014; Bothner et al., 2011). The “Mark effect”, an egalitarian understanding of the spread of resources, is preferred since there is a belief that a focus on a few select individuals as talent will not just minimise the overall organisational potential but also increase the risk of not achieving set objectives due to mistakes in talent identification or talent turnover. Focusing on a few core individuals means that first, these need to succeed and, second, there is a risk of substantial damage to the MNE should talent be offered positions among their competitors. This Scandinavian egalitarian practice supports the recommendations of Yost and Chang (2009) who argue that MNEs should invest in all employees and aim to maximise their talent since the cost (time, money and network development) would make a focus on a few select high potential or performers risky and subject the organisation to the risk of skilled labour shortage and poaching of key staff.

Our participants further emphasise that it is about the team, not the individual talent. Focusing on a few people, without consideration of the team aspect, is something that is against the core values that shape the TM program. Having insufficient consideration of the team aspect is also believed to negatively affect productivity. This aligns with the findings on Scandinavian management styles which rely heavily on teams to perform and not on individual brilliance (Holt-Larsen & Bruun de Nergaard, 2007). Participants argued that any perceived improved performance of an individual using an exclusive TM approach would be offset by the perceived reduction in performance from a lack of teamwork and that the overall result would be negative. Using an exclusive approach makes it harder for organisations to share knowledge and best practices across units as internal competition will be detrimental to organisational performance (Leigh, 2009). This finding supports research by Walker and LaRocco (2002) who argued that internal competition can be destructive for morale and create environments where personal rewards dominate and there is a lack of focus on achieving organisational goals.

Our participants also disagree and question the idea of public identification of individual talent. They believe that publicly identifying talent is not just bad for the organisation it
is not sustainable practice since in their view it reduces initiatives, those not identified loose interest in their work and the organisation. This leads to them looking for a new employer, increasing turnover and reducing internal knowledge and breaking up the units within the MNE. It is their perception that such a strategy would reduce productivity since individual employees would compete too much and not work well as a team. Our Scandinavian participants’ thus reject the idea that labelling someone as talent would be helpful for the organisations. This supports the findings of Björkman et al. (2013) who found that public identification of talent is something managers are reluctant to do since there is a belief that the perceived difference in the treatment of employees will reduce the performance of the unit.

6.2.2 What is a talent

Having looked at who is a talent, it is important to look at talent as characteristics, i.e. what is a talent. This addresses a core philosophical assumption: is talent a characteristic that is taught (innate) or one that is developed over time (mastery)? This is a question where there are two layers to the answer. First, the participants align with the notion that talented performance can be taught, developed as mastery. Second, however, again they distinguish performance as not being individual but a team effort. Talent as mastery is a focus for the TM practitioner but our participants argue that it is not just a focus on the individual but also on the units where they work. A key competency is the ability to make the team better and this is not seen mentioned explicitly by the present body of TM literature. This philosophical understanding will influence our participants’ TM work, their perception that talent characteristics are not just about an individual but also how they fit within a unit and this will shape core HR activities such as recruitment, training and development, and career planning. Activities undertaken and choices made assume that the action focuses on what is best for the local unit and after that what is best for the individual.

The specific characteristics that define an individual as a talent in the TM literature vary and characteristics such as ability, capacity, commitment, competence, experience, knowledge, potential and skills are all mentioned. (Dries, 2013; Gallardo-Gallardo et al., 2013; Meyers & van Woerkom, 2014). However, the most commonly used characteristics, as identified in TM literature, are individual specific skills, acquired specialist knowledge and an above average ability to achieve results (Ulrich &
Smallwood, 2012). It is suggested that these characteristics are what organisations primarily look at when determining what is talent. The perceptions of the participants differ from this viewpoint. Instead the participants state that the most important competence in an individual employee is a good organisational fit. With organisational fit they mean that employees will function in and improve teams or units within their organisations. This focus aligns with that of inclusive TM and emphasises a holistic approach to talent by Scandinavian managers. This differ from most TM literature that, instead, tends to focus on individual characteristics. One possible explanation for this divergence is that most TM literature reflects normative assumptions, often derived from Anglo-American realities, that dominates TM literature (Ahlvik et al., 2016; Gallardo-Gallardo et al., 2013). Our participants view highlights that there is a need to acknowledge that institutional and cultural contexts differ and that this leads to different realities which in turn guide TM practices and processes. Scandinavians assume that it is the combined unit that will provide a competitive advantage, not individual brilliance and this reality underpins how they perceive what talent is. The realities presented in Anglo-American research should thus not be considered universal.

The participants emphasised that individual effort and experiences within the team, within the organisation and with tasks make a crucial difference to the organisations and that TM role is to manage individual employee’s careers so that they in combination with their immediate teams may reach mastery level. However, mastery is not the main goal of the individual, rather practices our participants see as being developed over a long period of time and not something sought after when identifying or selecting talent. This notion aligns with the findings of Ericsson, 2006; Pfeffer and Sutton 2006, who suggest that talent is experience and time invested into practice. This also shows that our Scandinavian participants adhere loosely to the famous suggestion that 10,000 hours of practice is needed to achieve mastery (Briscoe & Hall, 1999). However, our participants disagree with Ericsson (2006), when he suggests that mastery can be measured or quantified using measurable objectives or performance management techniques. Instead they reiterate the role of the team and that it is a matter of putting together a unit of employees that all strive to achieve mastery but where the need is for not one individual to reach mastery level but for the full unit to do so in order to achieve a competitive advantage. This aligns with prior findings about Scandinavian management styles that reiterate the role of the team or the workplace unit (Holt-Larsen & Bruun de Nergaard, 2007). We can see evidence of this focus in TM programs, their choice of using peer reviews as part of the performance
management systems and their explicit shunning of purely numerical measurements for performance management.

In the main body of literature, the focus of our participants on a match between the organisation and the employee, the fit, is rare. Our participants state that fit is the most sought-after characteristic and they determine fit by looking for individuals that share the values of the organisations. The values they seek to identify in individuals are influenced by their perception of organisational culture, by peers and by the individual’s norms and career outlook. They argue that values take a long time to teach an individual and thus they primarily look for the fit of values when determining what is talent. But values and the fit of values between the employee and the organisation is the main sought-after characteristic. TM literature briefly mentions that “fit” can be considered a talent however, it suggests that fit cannot be the primary talent characteristic (Gallardo-Gallardo et al., 2013). Our participants view seems to indicate differently and suggest that fit can be the main focus when identifying what that is talent.

Fit as a concept, within an objective approach to defining what talent is, is not common in TM literature. The researchers, who have identified and discussed it are Buckingham and Vosburgh (2001) and Cheese et al. (2008). They argue that, although the characteristics commonly associated with talent in literature are relevant, they are all possible to develop through mastery. Specialist skills take time and resources to develop, knowledge can be acquired and developed over time and above average ability to achieve goals is contextual. In their view, talent is about behaviours, emotions and beliefs and these forms a fit or synergy within a particular context. This belief underscores that talent is not a precise and generalisable science but a contextual and subjective phenomenon (Thunnissen et al., 2013). Talent is not tangible or measurable on its own but part of an organisation’s overall performance. The findings agree with and add to these arguments by showing that our TM participants, instead of developing a competency based on improving practical skills, stress that a core development for them is to develop talent to function in teams and make the team better than the group of individuals.

Another point emphasised by our participants was contextual understanding. This is something to be taught over time and entails an understanding of the underlying beliefs and norms of Scandinavian organisations. This might explain why there is such a reluctance to employ PCN as local managers. There is a belief that when an investment,
which any employee is, is undertaken there is a need to ensure that values match and that there is a good fit with the context. Skills, while of importance, are easier to teach than values and the focus is thus on the intangible rather than the tangible and measurable. Thus, Scandinavian philosophy has its foundation in a match between the organisation’s and the individual’s values, norms and beliefs. Only when there is a suitable match between the two is there a potential to build the kind of teams that the participants argue are the key to creating an organisational strategic advantage. This finding further reinforces the view that our participants’ view of the characteristics differs from the main body of literature and the findings complement and add to those of Buckingham and Vosburgh (2001) and Cheese et al. (2008).

Having discussed talent and seen that for our participants, talent as a subject is inclusive and that talent as an object sees values as the key character in talents. Values lead to a fit, a fit that is both personal and within the context of the organisation. The notion that talent is taught, not innate, is also clear. Likewise, the contextual factor is crucial as whether an individual is a good fit depends on the context and that the search for a strategic fit is based on the organisation’s and its unit’s local context; less on the capability of the individual. These findings add to the overall theoretical understanding of TM practices and highlight what underpins the choices and perceptions made by participants. Having understood these beliefs and how they underpin the way they work with talent, we can now move on and discuss the TM programs and how they are used in the subsidiaries.

6.2.3 How is TM perceived by Scandinavian subsidiary managers in Asean?

While the program as a whole is considered a standardising function that provides positive benefits for the subsidiaries there have been discussions about its purpose, what TM is for and how the users of the programs perceive it. There is also a discussion about its practical usage. What do the participants think of it? Our participants are working for subsidiaries which means that they are not designing the program but instead expected to employ and work with a program designed in a different context, institutionally, socially and culturally. The participants’ experiences of how they perceive the program and its use will thus paint an interesting and rarely researched picture of GTM programs at subsidiary levels of an MNE.
Little research on TM has been carried out at subsidiary level, instead most TM literature has focused solely on TM at HQ level or more commonly assumed that practices at HQ level transfer to subsidiaries without empirically testing this. And while GTM programs are a standardising tool meant to replicate practices and processes across the MNE, our findings show that the coordinating person at the subsidiary, usually a manager, has leeway and can choose where to focus the resources so that the program is more suited to the local environment, without changing the main TM practices and processes. This makes comparisons or discussions about potential comparisons of the effects of using a GTM program difficult since there is a lack of oversight over what exactly has been done at subsidiary levels and which specific TM tool provides impact. Yet, a large body of TM literature provides absolute advice on TM best practice (Al-Ariss et al., 2014; Björkman et al, 2011; Cooke et al., 2014). This researcher wishes to add to the understanding of TM at subsidiary level and believes that the perspective of subsidiaries is needed before advice on TM best practice can be valid.

Our research shows that there are distinct characteristics underpinning the approaches to TM but there are also variations within the MNEs. The standardising function, the GTM program, ensures that all tasks are undertaken but the time spent on them differs substantially. Local managers align the resources and time spent on varying TM practices and processes to suit the needs of the local context. This is perceived, by our participants, to be the role of the manager, the coordinator of the GTM program, and these choices are made based on experience, understanding of values, and culture within the MNE. The perception is thus that the local manager has the role of employing the GTM program using the understanding and experience of the MNE as a guide. There is a perception that there is tacit agreement between the managers of the subsidiary and the staff at HQ. This leads to further specific understandings in regard to key perceptions of the GTM program focusing on the overall role of the program which is perceived to be that of a standardising and integrating function.

6.2.3.1 GTM program – standardisation by a subsidiary coordinator

Discussing the standardising purpose of the GTM program is important. The understanding of our participants is that the GTM program is a standardising tool used to ensure that TM is effectively replicated across the organisation. However, there is a
tension here, while the GTM program is perceived as a standardising tool, there is also a perception that within the GTM program the subsidiary operates according to the understanding of the subsidiary GTM manager.

While standardisation and control are common themes in IHRM and International Business literature, it is less common in TM literature. Instead, the global responsiveness perception (Cappelli, 2008; Tarique & Schuler, 2010), has been the prevalent assumption in TM research. However, our research does not support that assumption. Instead, our findings align with findings, often found in IHRM and IB contexts, that show that the power is held at HQ and that HQ is shaping the work and structure of the subsidiary (Gudambi et al., 2014; Gupta & Govindarjan, 2000; Kretschmer, 2009). Our research shows that the participants’ perception of GTM programs is that they are an HQ function and that their design adheres to what is explained as “a vertical relationship between a higher ranked unit (HQ) and a lower ranked unit (subsidiaries)” (Kretschmer, 2009, p. 8). It is important to note that while the GTM programs are a standardising control function that shapes the structure of subsidiary TM work, the local manager sees it as his/her responsibility to best adjust the processes and practices to suit local context.

Shaping the work, the structure of all units of the MNE is a key theme in research that refers to standardisation (Kretschmer, 2009). The more standardised the MNE is, the more it can utilise its scale and ensure all parts of the organisation act when strategic decisions are taken. This uni-cultural approach to TM is perceived to be positive by our participants since it helps the MNE maintain a strategic competitive advantage using shared structures. This finding differs from TM literature which suggest that TM should promote local responsiveness (Björkman et al., 2007; Tarique & Schuler, 2010; Vaiman et al., 2012). It is important to see that while the GTM programs standardise the practices and processes implemented, they do not manage to standardise the time and resources spent on them. This is the role played by the local manager and thus, despite the usage of the same practices and processes, there can be a great variation of TM work across the MNE.

To achieve standardisation, there is a requirement for shared functions. In this case, the shared function is naturally perceived to be the GTM program. Shared practices and processes, within the GTM program, generate control, allow for oversight, less transition time for employees moving between units or regions, and helps provide for shared
organisational values and norms. Our findings support literature that discusses GTM programs as functions of control for the HQ. For instance, Kim et al. (2003, p. 329) argue that the ability to integrate units and/ or subsidiaries across global organisations is “possible only through the use of organisational mechanisms for coordination and control”. This ability to achieve consistency, using shared functions that integrate the units, is the goal of the GTM program.

Table 6.3 looks at this through HQ-subsidiary literature and specifically Bartlett & Ghoshal (1989) typology of Multinational Companies we can see that the Scandinavians align with a global approach.

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<tr>
<th>LOCAL RESPONSIVENESS</th>
<th>GLOBAL INTEGRATION</th>
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<td>LOW</td>
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<td>International Strategy</td>
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<td>Multi-domestic Strategy</td>
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*Table 6.3 Typology of Multinational Companies (Bartlett & Ghoshal, 1989).*

The perception among our participants is that the GTM program is a tool designed to ensure that there is greater centralised control over employees. That the human capital is handled using standardised, Scandinavian, approaches across the entire MNE. These standardised approaches are designed at HQ level and then rolled out to subsidiaries across the world. There are, however some feedback channels that allows RHQ to have input, but are perceived to be informal rather than formal. While the approach is global, there are according to our participants a tacit understanding in Scandinavian companies that the RHQ TM manager may should they want to adapt parts without notifying HQ.

The person that oversees the GTM program, referred to as the local coordinator are according to our participants PCN that are sent from HQ to the regional HQ/subsidiaries. They are, as coordinators, in a position to influence the GTM program and control the deployment and usage of the practices and processes provided by HQ. Their understanding and alignment to core values such as who and what is talent is thus crucial to the MNE and to its ability to achieve set strategic goals through its people working across the organisation. The coordinator ensures, through their intrinsic understanding of the specific MNE culture, values and norms, that the Scandinavian management approach
is carried out across the MNE. This helps explain why there is such reluctance to offer regional management positions to non PCNs as they are often not deemed to understand the Scandinavian culture, values and norms that are expected from subsidiary managers. This coordinating function is thus given to a PCN to ensure that shared values are achieved across the MNE. This finding sees support in some expatriation literature and some TM literature (Björkman et al., 2011; Kim et al., 2003; Smale et al., 2013).

Our findings show, therefore, that the GTM program is the control function and the coordinating resource is the local subsidiary manager. These two elements together ensure the overall ability to achieve the benefits expected from the usage of a GTM program. Present literature does not make the distinction that the local subsidiary manager is the coordinating resource. Discussions about TM programs at subsidiary level thus fail to consider that there is a subjective resource whose realities will shape the various choices of local TM work. This makes it difficult to analyse TM programs and their potential influence within an MNE since the coordinating factor needs to be aligned with the HQ to be able to make assumptions based on only HQ level. This research highlights that assumptions made at HQ level fail to understand the importance of the coordinator and the role he/she plays. This is a gap in present TM literature and more research is needed at subsidiary level before firm conclusions about practices and processes that generate specific results can be made.

What we thus see is that while the GTM program is perceived to act as a standardising tool the individual that implements the GTM program, the coordinator, chooses how the resources and time are spent and they do this according to their understanding of how the MNE culture, beliefs and values are best adhered to within the local context. Our research shows that these local adaptations are done based on the managers’ own beliefs and are not reported back to HQ. There is a tacit understanding that the role of the manager is such that he/she should make that distinction.

6.2.3.2 GTM programs – local adaptation

Prior research has suggested that most HRM practices, including TM work, require some form of local adaptation to achieve better compatibility with the HCN and their values and thus a better outcome (Hannon et al., 1995; Rosenzweig & Nohria, 1994; Jensen & Szulanski, 2004). Some have gone as far as stating that a local adaptation to the GTM
functions, adjusting core organisational beliefs to better align with local cultural and social context, is associated with superior performance (Newman & Nollen, 1996).

However, our research shows that the Scandinavian GTM programs, on purpose, choose not to adapt locally, instead standardising the TM processes across all subsidiaries and aiming to implement one corporate culture across the organisation and the perception is that this leads to superior organisational performance. The perception is that the GTM program is a tool that provides a pathway towards organisational internalisation for all employees across the MNE. A pathway where values, beliefs and norms of the employees are aligned to that of the MNE. This conclusion agrees with those that created the TM wheel, which puts shared values at the centre of any TM work (Björkman et al., 2011 & Stahl et al., 2012). It also adds to the findings of Björkman et al. (2013), who in their longitudinal study noted that standardised TM and HRM practices and processes are prevalent among MNE in China.

The prevalent normative understanding within present TM literature is that local adaptation of processes and practices, the use of “hybrid” TM practices that are altered so that they cater to local values, beliefs and cultures and not fully aligned with the beliefs, culture and values of the organisations, will provide greater local acceptance for the MNE and provide greater desire to work with it among HCN (Ding & Warner, 2001; Evans et al., 2011; Tarique & Schuler, 2010). However, our research challenges this notion of local adaptation being desirable for HCN, instead our research shows that the local employees are interested in working for an MNE that sticks to its organisational values and does not adapt to the local context. Our research shows that they are actively seeking employment with an organisation whose values, norms and culture keep the “Scandinavian” culture as intact as possible. Standardising is perceived as an advantage when it comes to retention and attraction of talent within the context where our participants work. This finding needs further data to be validated and there is a need to link Scandinavian employer branding and values to the attraction and retention of talent, however, there is strong evidence pointing to Scandinavian management practices and values being actively sought after by local talent in Asean.
6.3 How are GTM programs used to help identify, select and develop talent in ASEAN?

Having discussed the underlying assumption of talent, it is important to understand the TM functions used. The main functions within a GTM program are talent identification, selection and development. These functions and their practices and processes differ between each organisation but there were common themes identified and these are discussed here. In looking at these functions, the research focused not on just describing them, but on understanding how the participants worked with them, what underlying understandings there were and what their experiences of them were. This allowed reflection on how each function was perceived, what role it played and how the operational practices and processes were constructed and employed.

While the first research question focused on the innermost circle of the Stahl et al. (2012) TM wheel, this question focuses on the outer circle where the functions used for TM work are discussed. The discussion focuses on the specific approach to each function undertaken by our participants and where their particular insights and understandings offer a particular insight into the phenomenon. These insights are then discussed against a body of TM literature. The main findings are described under 6.3.1, 6.3.2 and 6.3.3 and focus on talent identification, talent selection and talent development. While more information about compensation and benefits and performance management programs would provide an in-depth discussion about that tool, these issues are covered by non-disclosure clauses and could only be discussed hypothetically offering few specific insights about the phenomenon. While talent selection and identification are sometimes grouped together due to the difference between them being hard to distinguish, they are presented separately here.
6.3.1 Talent identification

There are different opinions about how organisations identify talent (Collings et al., 2007; Mäkelä et al., 2010). This discussion will focus on some core concepts that help the researcher understand what considerations our participants make and relate them to the literature. It will focus on the number of talent identified, how talent is identified, who identifies it and whether or not talent is acknowledged within the organisation.

6.3.1.1 Size of talent pool

The first assumption when it comes to talent identification has typically been that talent identification focuses on identifying a group of employees that are at the top in terms of capability and performance or that have performed at the top in terms of capability and performance at competitors or, if they are graduates, have achieved top grades at highly ranked universities (Stahl et al., 2007). This pool of talent is normally identified through numerical performance measurement scales that provide data that help compare and contrast employees/students (Mäkelä et al., 2010; Stahl et al., 2007). This follows the notion presented in the often-cited work by Lewis and Heckman (2006) that stipulates the talent pool would normally be between 10-15% of the total number of individuals, the so-called “high performers”. This group of high performing employees have specific skills that add value to any organisation and they are particularly difficult to replace. This leads to, in their view, the idea that talent identification should focus on identifying these high performers that have specific skills that are difficult to replace and it is suggested that such identification should be done using numerical performance metrics (Lewis & Heckman, 2006; Mäkelä et al., 2010).

Our findings challenge this as the perception among our participants is that the talent pool should be much larger, up to 100% of employees. According to our participants, talent identification is about identifying the specific talents within each employee or candidate. This is fundamentally different and our participants believe that those organisations that select high potentials or differentiate their employees into A, B, and C players are missing out on talent and instead they are all using the same tools and metrics to chase the same limited pool of individuals that they understand to be talent. Our participants suggest that this will not provide any competitive advantage, just adding to the creation of a “war for talent” reality.
These findings align with Morton (2005) and Swailes (2013) who suggest that the talent pool is much wider and incorporates most of the employees. Our participants stress that their talent pool is broad and not made up of a few select individuals and that talent pools take time to build and develop. They see talent identification as long-term, continuous work that takes place through careful career planning. This adheres to the previously described inclusive approach to talent. There is also a belief among the participants that the costs of identifying and selecting an employee are substantial and thus the perception is that limiting the talent pool would produce meagre results in relation to the money invested. There is a perception that the sunken costs that have gone into talent development would not be well utilised should a focus be on 10-15% of the employees, since they may fall short of the expected goals or they may be prone to being poached. This goes back to the Scandinavian context of high employment costs and the difficulty (especially in Sweden and Norway) of implementing redundancies. That is the cultural context that our participants bring with them and it influences how they act and think regarding talent identification.

These findings put our participants into the so-called internalisation view, which argues that talent is sought after considering both present and expected future needs of the MNE (Morton, 2005; Stahl et al., 2012; Swailes, 2013). These findings differ from the main body of literature which assumes that MNEs follow the differentiated approach to talent identification where talent is identified based on high performers or so called high potentials (Boudreau & Ramstad, 2005; Cappelli, 2008; Dries, 2013; Lewis & Heckman, 2006).

6.3.1.2 Tools used to identify talent
The methods used to support identification of talent are of interest. The literature has argued that there is a lack of consistency in talent identification (Ahlvik et al., 2016; Björkman et al., 2013; Cappelli, 2008; Dries, 2013; Lewis & Heckman, 2006; Skuza et al., 2013). In the literature, the tools most commonly used to identify talent are various performance management systems (Cappelli, 2008; Lewis & Heckman, 2006; Skuza et al., 2013). These performance management techniques and systems vary considerably in size and purpose. However, our findings show that talent is identified based on the manager’s own understanding of the person’s ability to align with values and identify with the organisation. Our managers base their decision on their own understanding of a
fit with the organisation and not primarily on superior skills. This challenge the main body of literature which supports performance review tools that are aimed at identifying specific skills, measurable skills established through performance scores (Cappelli, 2008; Dries 2013; Lewis & Heckman, 2006; Skuza et al., 2013).

If skills and abilities, measured numerically, are not the primary identification used to identify talent but instead a fit with the organisation and the unit is sought, the usage of quantifiable performance measurement strategies is less suitable. In fact, a rating based on a performance appraisal is not perceived to produce an appropriate image of the individual by our participants; instead it is perceived to produce a culture where intra organisational network building and intra organisational competition are common. Our participants seek a combination of fit and commitment where key factors are said to be commitment and teamwork. This means that the performance management instruments used by our participants do not numerically measure KPI but are instruments such as a 180-degree performance management technique where comments from team leaders, managers and fellow employees are sought and this data is then summarised and forms the performance feedback. Individual goals are still set by the employee together with a manager but they are not objectives that determine performance; performance is determined by what the unit and the local organisation has achieved plus the feedback provided from the performance management tool. This approach that managers should look for individuals that identify with the organisation and whose values, norms and beliefs are shared is not new. Ashforth et al. (2008) argued that those employees that identify with the organisation and its values are more likely to have an open approach and high commitment to the organisation, something that facilitates cooperation across individuals and units over time. This aligns with Scandinavian management thinking where teamwork is highly prized (Holt-Larsen & Bruun de Nergaard, 2007). This ability to cooperate comes from a fundamental sharing of the core values that the organisation offers and it will help to provide loyalty and trust within the organisation. The cues from talent identification are those that highlight a shared understanding of values, direction and common norms and beliefs (Ashforth & Mael, 1989).

6.3.1.3 Decisions on talent identification

Our research shows that the interviewed managers believe that they are given the role to make decisions on talent because they know instinctively the organisational values and
what is expected from individuals regarding fit, teamwork and performance. Most of our participants do not solely make the decisions on talent identification, instead they perceive that the individual, the manager and other team members are best suited to make these decisions. TM is perceived to minimise potential bias and grouping according to ethnic or language groups, something that our participants believed to be a serious issue in Asean.

Our findings also show that usage of assessment centres is not something that is common at Scandinavian subsidiaries when it comes to identification and later selection of talent. This is because they require an investment and training of staff and they require a certain scale of operation. While such functions can be outsourced or handled by outside specialists that then can achieve scale, this goes against the belief that a people function, such as talent identification, that is core to an organisation’s performance should not be outsourced. There is a perception that outside specialists may lack the necessary understanding of culture and fit to make this possible. Since talent is not identified based on numerical measurement of performance, but instead on fit, commitment and shared values and beliefs, identification is perceived to require in-depth understanding of the MNE, its people and its culture. Our participants also state that there are hurdles put in place by HQ as part of the GTM program to prevent outsiders from being part of talent identification work.

6.3.1.4 Public identification of talent

In the literature, there is a discussion about the benefits of publicly identifying organisational talent. Our research shows that Scandinavian participants do not believe in public identification of organisational talent. With talent being broad this may seem self-evident, but even so there could be a discussion about identifying specific talent traits publicly. This practice is common among some MNEs, for example Shell in Asean, where each individual employee is given three adjectives that show their specific talents. However, nothing like that is prevalent among the Scandinavian participants. Instead they strictly adhere to the findings by Björkman et al. (2013, p. 196), who argued that “If talent pool membership is publicised, the motivation of those not on the list of talent may drop”. The discussion about a public identification of talent is one that in our participants’ view lacks an understanding of corporate reality. While in theory it may sound plausible to either identify talent or list specific talent identified in individuals, the non-identified
employees or those whose specific abilities are deemed less advantageous would, according to our participants, suffer not just from a lack of motivation but from a quick urge to find another employer resulting in high turnover. Björkman et al. (2013) point out that many middle and senior managers do not want to publicly share talent identification and choose to keep such information to themselves for fear of high turnover or perceived efficiency decrease. It is suggested that this is because middle managers know that a public identification of talent or talent traits may lead to higher turnover and thus less efficiency/productivity (Björkman et al., 2013). According to Zhao et al. (2007), the employees not included within the identified group could feel that the psychological contract had been breached and this could lead to high turnover. In short, our findings challenge the notion that talent identification should be public. Instead it supports the research by Newman (2002) who suggests that public identification of talent leads to reduced efficiency and lower employee morale.

6.3.2 Talent selection

Talent is selected based on practices and processes set out in the respective GTM programs. The main purpose of shared practices and processes is to reduce the selection bias often described as existing in TM literature (Björkman et al., 2013; Mäkelä et al., 2010; Stahl, 2007; Swailes, 2013). The GTM program thus aims to make talent selection more consistent across subsidiaries and reduce the likelihood of biased talent selection practices and processes. With talent being inclusive and participants believing that the talent pool was large, up to 100% of employees, the talent pool is not just perceived as being managerial talent/specialists, a common assumption in literature, but instead all talent. Limiting a talent pool to just managerial talent or specialists were seen as reducing the ability to select individuals that together as a team would produce a better result than they would as mere individuals.

Our findings show that talent selection is overseen by managers, with the help of local HR advisors. Since retention rates were high, the prevalent selection was internal and for graduate positions. Selection is, whether internal or external, based on profiling individual values, beliefs and understandings, seeking a strategic fit and individuals with capability to interact within the organisation. This provides further evidence of the systematic selection processes that are put in place when an organisation adapts a GTM program. There is no one size fits all in the selection process. Instead, steps and processes differ.
based on the position and whether it is an external or internal selection. Most participants commented that internal selections are preferred and only when there are no internal candidates will an external candidate be sought. This further underpins the psychological contract as talented employees see a potential future within the organisation. The GTM program is also perceived to be a tool that ensures a steady supply of internal talent so this is not surprising. When an internal selection takes place, focus is on confirmation of the material collected as part of the talent identification feedback. This is in contrast to external selection which tends to focus on behavioural interviews that set out to identify the candidate’s skills, perceptions, beliefs and ability to fit with the team where the vacancy exists.

Our research shows that the selection processes are also aiming to reduce what has been perceived as a major issue among subsidiaries of MNEs, that of “clonism” and use of networks for selection (Swailes, 2013; Toterhi & Recardo, 2013). “Clonism” has long been recognised as a danger with talent selection where selectors will often have a bias towards selecting people they identify with. This is, by our participants, perceived to be especially true where there is no PCN among those who select the talent. There might here be an argument that instead of selecting clones of local managers, the GTM program attempts to select clones of the PCN or Scandinavians. The chance of employing “clones” of the selecting managers is reduced, suggest our findings, by a well-established GTM program. GTM programs address certain specific environments and should provide robust processes for diversity, age, gender, personality, educational background, tenure, performance and personality. A GTM program is said to identify what the ideal mix and profile of unit employees would be. This is suggested to help local subsidiaries identify whether anything is missing, regarding gender, age, personality and fit within a particular unit and such a system is said to reduce the risk of clonism (Wiblen et al., 2012) This approach is supported by our findings, which show that the amount of data that goes into a GTM program is large and that there is an expectation of local subsidiaries to consistently update the information. There is a particular focus on age, where GTM programs have identified and attempted to rectify the lack of opportunities for experienced candidates.

The research by Wiblen et al. (2012) points to technology being a key component allowing GTM programs to be more precise and less biased. Using the GTM program’s set profiles to assist with generating talent selection criteria limits selection bias and
instead allows a shortlist of suitable candidates to be compiled based on the criteria generated from the GTM programs. When criteria have been established our participants state that intuition, as described by Tulgan (2001), is the best tool to select talent. It is their perception that they have obtained a managerial position because of their understanding of the MNE, its culture, networks and values, and this intrinsic understanding allows them to accurately select talent that fits with the MNE.

The usage of external resources to select talent is rarely used by our participants. Handing over, what is deemed a core function, of an organisation is not something our practitioners believes in. They perceive external assessment centres or recruiters as lacking core understanding of the values of the organisation and thus not being competent enough to make a correct recommendation. They are also perceived as expensive and working for themselves rather than the organisation. One even commented that a good candidate for a recruitment agency is one that they can handpick for a new position 24 months later. There were however instances when there was a need to use external help, primarily relating to specific specialist functions and in remoter regions. The GTM program is designed to support the selection process by ensuring that the candidates are identified correctly based on data. The data, information about local teams, employee profiles entered into the ERP system, is used to obtain a profile of an ideal candidate. This profile can then be used by HR staff to shortlist candidates that match the profile. Managers also receive talent selection reports, showing profiles of those they have selected and how these selections align to the ideal candidate profile suggested by the program. This is followed up by further reports, working longitudinal, showing how selected talents have performed over time. This process is there to help illuminate selections. However, while this use of technology is happening and the use of technology is a key driver of control within the GTM programs, our participants are not always happy with it as it is cumbersome and adds work that requires time and resources to be spent.

6.3.3 Talent development

Another function of the TM program is talent development. The present body of TM literature discussing talent development focuses on leadership development. However, our participants believe that talent development is much more than leadership development. This aligns with their philosophical understanding, where they state that everyone is a talent and that talent is developable. Our participants argue that the majority
of talent development is not undertaken with the purpose of creating leaders or future managers but instead seeks to develop all employees and maximise their individual potential, increasing the overall competence within the MNE.

Talent development is linked to succession planning whereby it slowly upgrades the organisation, its skills and competencies, aiming to see internal talent take over greater responsibilities and have the ability to perform at a higher level. Our participants’ realities are at subsidiary level, so the succession planning is regionalised and does not have a global mind-set. Its aim is to produce local employees who can make the regional offices self-sustainable. With a paucity of subsidiary TM literature, subsidiary talent development is a field that lacks empirical data.

6.3.3.1 Talent development philosophy

While talent development tools are standardised through the GTM programs, the choice of which tools to focus on are left to be determined by the subsidiaries. There is no precise set order or specific step by step instructions. This allows the local subsidiaries to, while following the instructions of the GTM program, ensure that specific focus on talent development activities deemed suitable to local contextual needs. Our findings show that talent development is done according to the GTM programs stipulated procedures and processes, but that the local subsidiary managers input shapes the priorities. The managers input is defined by the managers’ experience of the MNE and their interpretation of the GTM program. One can thus say that within the standardised GTM program, there is room for minor localised tweaks and prioritising measures. The GTM program (the standardised tool) provides the framework and the local manager together with the employees are responsible for their prioritisation and deployment (localising). Our participants proposed that the main needs to develop are values, people skills, and the ability to work and function in teams as well as specific competences. This puts our participants’ focus on talent development on soft skills (people skills, values, culture) and not solely on hard skills (technical ability, certifications) as present TM literature usually assumes (Cappelli, 2008; Lewis & Heckman, 2006; Skuza et al., 2013; Tarique & Schuler, 2010). The ability to adapt within the framework of the GTM program to better suit cultural contexts, at subsidiary level, supports the suggestion of internal flexibility for GTM programs; an internal flexibility that may be linked to distinct characteristics underpinning different local approaches that is perceived to be encouraged by HQ. These
internal flexibilities are perceived to always exist within a GTM program and these distinctions are often ignored in current TM research (Cooke et al., 2014). With the existence of internal flexibility, it is questionable if it is possible to measure the impact of GTM programs and provide best practice suggestions based on this. Such generalisable conclusions based on studies carried out at HQ normally fail to account for the internal flexibility offered within a GTM program.

Talent development is, in this research, not restricted to specific skills taught at a workshop and then used back in the organisation. Instead one main focus, in the context of Asean and sometimes Oceania/India, is that talent development attempts to enforce an understanding of the organisational values and behaviours. This means that development is an effort to work on creating an awareness and understanding of the main organisational values in the respective organisations and an effort to create and build the feeling of teamwork. Workplace teams and teamwork are key concepts of Scandinavian management (Holt-Larsen & Bruun de Nergaard, 2007) and this is clearly reflected in their respective GTM programs and the belief that competitive advantages are developed through them. Our participants suggest that talent development is less of an educational science where focus is on teaching a specific skill and instead they prefer an approach where development is based on shaping experiences, values, norms and human competencies. There is also a need to keep the development as a more constant process rather than a one-off intervention, for example a workshop. These findings support the research of Jørgensen (2004) and Harvey (2005), who found that if the right values, competencies and general knowledge about the organisation and its specific way of working are instilled then the employee can easily learn position specific skills when they are needed. Our findings also support the suggestion of McCall (2010) that while previously specific skills, such as technological competence, could be a tool to gain competitive advantage, such skills are today easily replicated. Instead it is recommended that organisations aim to develop their strategic competitive advantage through shared values among their human capital (McCall, 2010; Larsen, 2012).

Our participants believe that talent development is about investing in values and norms. With those aligned, the employees can adapt to any new situation and this will produce a better outcome than an investment into skills development. This focus on generic organisational values has been found to assist with providing efficiency in comparison to a strategy that focus on technical skills (Garavan et al., 2009). Traditional talent
development processes, while undertaken by our participants, can in many cases be developed in isolation from the workplace and do not need to be part of the main talent development activities (Lahti, 1999; Hirsh, 2009). These findings that traditional talent development activities have less time and money spent on them at a regional subsidiary align with Nilsson (2010) who suggests that the need for future employees is to align with and handle tasks within the norms and morals expected from the organisation. It also supports the findings of Hesketh (2000) who argues that individual employees need to develop greater understanding of the differing functions and values of the organisations rather than to be specialised do a particular task since this leads to an ability to understand, plan and arrange tasks (something that is especially important in leadership talent).

Furthermore, our findings support the findings of Baker (2009) and Söderquist et al. (2010) who have challenged the more common notion in TM literature that talent development should focus on identifying the most productive development practices and then deploy them across the organisation. Such “best practice” strategies are often expected to lead to superior organisational performance (Huselid, 1995; Lewis & Heckman, 2006; Richardson & Thompson, 1999). Our participants don’t agree with this, they don’t follow best practice, but instead look internally within the organisation to let the values guide the talent development strategies and they argue that this ensures there is a fit with MNE culture. While strategic fit is a common approach to talent development today, the assumption is that the strategic goals determine the practices used to develop talent to ensure that skills within the organisation are aligned to future strategic goals (Boxall & Purcell, 2008; Lengnick-Hall et al., 1999). However, while our findings support this, the findings go further in terms of strategic fit since the local unit and its teams and compositions matter as much as future strategic goals set at HQ level (and goals at HQ level and subsidiary level are not always identical). This finding that there is such a focus on creating an organisation where the units share values and work together as a team is important since it helps explain why there is so much talent development being spent on practices aimed at operationalising employees such as inpatriation, mentoring and team activities. The activities aim to ensure the shared values are operationalised, which is perceived as a key to obtain competitive advantage.

Our findings show that the Scandinavian perception of talent development resembles a development pathway where exposure forms a central theme. It is common practice to design and adapt the development pathways to processes that must be worked through for
a talent to advance further. Experiences and understanding of the organisation are perceived as central. This supports the findings of Carpenter et al. (2000) and Gandz (2006). This talent pathway development is then enhanced by the belief that exposure, at varying levels of the organisation and to a range of tasks, is needed. This leads to development activities that place individuals in different situations, contexts and environments. This prepares the talent for a career where they can use the breadth of their knowledge and networks to solve problems or formulate strategies (Evans et al., 2011). This support the findings of Yost & Mannion-Plunkett (2010) that job exposure through tools such as job rotation, project assignment, inpatriation or international assignments expose the talent to the opportunity to experience different contexts and this helps drive their ability to develop decision making skills, strategic thinking and business acumen. The exposure to different situations and contexts allows the talent to learn, not just people skills, but also the limitations of their own ability, and to be mentored by more experienced colleagues who know how to delegate and work according to the organisational values and culture (Garavan et al., 2009). Being challenged and developed through exposure means that more talent selection is internal and that the choice of a candidate is less reliant on specific skills and more on experiences and personal fit.

6.3.3.2 Talent development tools

The talent development tools suggested by the participants align to the notion presented by Kaye (2002) where talent development is a process with three main actors: the talent, the manager and the organisation. All three actors need accountabilities and roles must be adhered to. The organisation provides the overall goals, the strategic direction as well as the values and culture and of course the finance. The manager’s role is to assess needs, identify fit, clarify and discuss goals, support continuous development, provide feedback and monitor development. The role of the employee is to embrace the new challenges and cultures as well as setting goals, seeking development opportunities and implementing development action plans. When we consider these tools, the GTM program plays the role of the organisation providing appropriate tools, the manager aligns these tools with needs and where he/she sees the strategic fit and it is the role of the individual to embrace the culture, develop him/herself and set goals that can be achieved. This requires employees that share the goals and values of the organisation and are prepared to, with support of the organisation, develop themselves.
Our findings show that the preferred development techniques are team development activities, competence development, inpatriation and cross-cultural workshops for the employees. We can see that the focus is to enhance the individual’s internal capital (human, social, political and cultural) within an organisation. This helps build trust and perceived ability. There is a realisation that it is as important to build human, social and cultural capital as it is to build practical capital and political capital (skills). Our participants emphasised that the lack of cultural skills is addressed by utilising primarily cross-cultural workshops, teambuilding activities and inpatriation. However, inpatriation is said to be costly and difficult to arrange so it can’t be utilised to the level that is wanted. By analysing this, we can see support for the idea that socialisation and the use of capital that aligns the employees with the values and norms, the culture of the organisation, is a priority for our participants. Literature suggests that this kind of strategy is a way to ensure that the HQ influence and control over its subsidiary is intact, using socialisation and networks as a means (Ghoshal & Gratton, 2002; Harzing & Sorge, 2003).

With this philosophical belief among our participants in mind, our findings that identify the strategy for talent development of HCN are easier to frame. The strategy is similar to what is found in strategic expatriate literature looking at expatriate development. This literature emphasises that for learning-related careers, expatriates are expected to learn and develop their career based on three kinds of knowledge; knowing-why, knowing-whom and knowing-how (Cerdin & Brewster, 2014; Jokinen et al., 2008). These three career capitals are at the centre of what the participants deem a talent development strategy where they aim to provide the talent with an understanding of each. It is thus not an attempt to localise the organisation but instead to centralise the culture and ensure that values and norms stay the same across the organisation. Keeping this the same is deemed to provide a strategic competitive advantage.

These findings challenge the notion that global managers localise their understanding and build cultural competence in the local context (Meldenhall & Oddou, 1985). Instead it shows support for the idea that PCNs are looking at providing HCNs with an understanding of the parent organisation’s context, the knowing why. The main development tools focus on network building (knowing whom – developed through inpatriation and team building activities) as a mean to gain trust and legitimacy within the organisation by building social networks (Yan et al., 2002). It focuses on obtaining a fit with the organisation’s values and internal culture (knowing why – developed through
cross cultural workshops, inpatriation and team activities) this reflects a person’s values and interest/commitment to the organisation and its ideals and values (Cerdin & Brewster, 2014). And it also focuses on the skills needed to be considered professional at the tasks expected (knowing how – developed through competence development, inpatriation). It is important to note that practical skills are not seen as enough to know how. Skills (knowing how) need to be intercultural, an understanding of how things are done within the particular culture where one is working (Cerdin & Brewster, 2014). These findings challenge the main body of literature which has focused on development of traditional skills and creating individuals that have a global mind-set (Levy et al., 2007; Tarique & Schuler, 2010). Instead our participants state that they are trying to create HCN that identify and understand the culture, values and norms of the parent country organisation and that they have a network of likeminded employees to discuss their reality within the MNE.

6.4 How do managers of Scandinavian subsidiaries in Asean attempt to overcome perceived challenges of their GTM programs and how do those perceptions align with TM literature?

Our research looked at the specific challenges that are faced by subsidiaries that operationalise GTM programs. Looking at the TM literature, there is clearly a gap and a lack of empirical data discussing the perceived challenges experienced by those who operationalise the GTM program. The lack of empirical data at subsidiary level has led to the assumption that what is deemed a challenge at HQ level is automatically the same at subsidiary level (Yamin & Andersson, 2011) or that the subsidiary has become more independent and less reliant on the HQ and its processes and procedures (Buckley &
Strange, 2011). However, our empirical data paint a different picture and suggest that both assumptions may need to be reconsidered.

Our findings show that what often has been perceived as TM challenges such as talent identification, talent selection and talent retention are not deemed to be challenges by our participants. Instead those are handled through the GTM program and our participants suggest that the GTM program provides clarity and direction which allows the subsidiary to focus less on those particular tasks. Therefore, talent identification, talent selection and talent retention become less of a challenge and are not barriers to achieving results. Instead talent identification and selection processes and practices of the GTM program are deemed to be processes that help the subsidiary achieve its goals. However, our research does show that there is a need to focus further on specific talent development practices which would assist the program further and allow it to achieve results faster. These findings show why challenges identified at subsidiary level may differ from those identified at HQ level.

Table 6.1 shows specific challenges identified and at what level of the subsidiary they can be found. The ownership of these problems is perceived to be at HQ, subsidiary, employee level or in the institutional/cultural context. It is important to note that the contextual level sees three specific factors mentioned, there are further contextual challenges but these three warranted particular attention due to frequent mentioning by participants.

Table 6.1. Challenges to successful TM implementation

<table>
<thead>
<tr>
<th>Level</th>
<th>Issue</th>
<th>Existing challenges</th>
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<tbody>
<tr>
<td>HQ level</td>
<td>GTM programs</td>
<td>• Budgetary considerations - costs for implementing and maintaining the program.</td>
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<td>• Time consuming / bureaucratic, requires a lot of report writing which reduces the overall benefit.</td>
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<td>• Communication - Communication channels HQ / subsidiary requires two-way communication and familiarity with the context.</td>
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<td>• Value based project work - not adapted to suit local contexts making local employees feel less integrated.</td>
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</tbody>
</table>
| Subsidiary level | Subsidiary | • GTM tools – standardised based on Scandinavian culture sees minor amendments.  
• In-depth experience and understanding of the core values of GTM program, as well as networks, lacking among HCN HR managers.  
• Perception that local unit managers are not always acting with the overall good of the MNE in mind.  
• Work-sharing projects - effort to reduce hierarchies that aren’t implemented.  
• Talent development strategies that do not address local understanding of career advancement. |
|-----------------|------------|--------------------------------------------------------------------------------------------------|
| Employee level  | Behavioural factors | • Lack of exposure to self-initiated career environment - feeling of directionless career planning.  
• Uncertainty avoidance – issues in flat hierarchies - not sure how to interact with manager / colleagues.  
• Lack of confidence - unaccustomed to a culture that expects initiative - Fear of committing mistakes, losing face.  
• Security in hierarchies - precise instructions / closeness to relevant manager / audited work.  
• Assumption that TM is high performance activities with quick rewards afterwards.  
• Local legitimacy. |
| Contextual factors | Educational | • Local focus on testable competences.  
• A lack of teamwork throughout the formative school years  
• A perception of extracurricular activities as distractions. |
|                 | Gender bias | • Males are perceived to be the breadwinners.  
• Males struggle to accept superior females.  
• Family concern / bias if females outperform males. |
|                 | Culture | • Greater emphasis / status in self-employment compared with being a salaried employee. |

6.4.1 HQ level

The first identified factors are perceived to exist at HQ level. CHQ determines the GTM budgets for the subsidiaries. The allocated financial resources are affected by the ability to carry out key talent development activities, such as inpatriation. A perceived lack of financial resources provided by CHQ to employ GTM practices and processes at subsidiary level is suggested to be a main constraint. Such budgetary constraints show us that the control function of the GTM program is located at HQ level and clearly illustrates
that the relationship between HQ and its subsidiaries is one based upon dependency and that it is hierarchal by design.

Our research also adheres to the body of literature that has shown that transfers of functions, processes and procedures are tedious, expensive and time-consuming (Gupta & Govindarajan, 2000; Kogut & Zander, 1993; Szulanski, 1996). Funding which is crucial for the success of the program is allocated to subsidiaries at HQ level and when subsidiary managers perceive that they cannot achieve set targets and goals then they need to request additional finance from HQ. In this context, it can be argued that headquarters is very important and a key influence that helps subsidiaries achieve success (Birkinshaw, 2001; Ghoshal & Bartlett, 1990). To achieve success and to be allocated further funding when needed, it is the perception of the subsidiary managers that prior working relationship with the decision makers at HQ is vital. Having spent a considerable amount of time building an intra organisational network is a key to being able to obtain approval for further needs. There is the perception that those who have not engaged previously with individual employees at CHQ level will not be able to request additional funding easily. This further emphasises why Scandinavians believe that PCNs are needed at subsidiary management level.

However, more than just funding is set at HQ level. The key processes and practices are also determined here. The time that is needed to maintain the GTM program is thus a factor determined at HQ level and will impact the overall TM work at subsidiaries. This supports the thoughts of functional integration of practices and processes, where bureaucratic exercises create a new way of working across an entire organisation and where the practices and processes become tools that keep the subsidiary engaged in an activity through consistent and repetitive routines (Ghoshal & Nohria, 1989). The participants feel that the time spent working with the bureaucratic parts of the TM programs is often excessive and this limits the TM work carried out and acts as a barrier to the success of the program. This aligns with the prevalent body of literature that has found that TM is both costly and time consuming and, ultimately, requires CHQ support and resources to succeed (Björkman et al., 2007; Mellahi & Collings, 2010; Smale et al., 2013; Stahl et al., 2012; Lewis & Heckman, 2006; Vaiman et al., 2012).

The ability to give and receive feedback on the practices and processes as well as the general program is also controlled at HQ level. They determine what level of interaction
is possible and how thoughts originating from subsidiary management are received and implemented into the continuous shaping of the GTM program. Our research shows that the perception is that there is limited ability to provide feedback and to influence the continuous amendment of specific practices and processes within the GTM program.

There is a lack of clear feedback channels and instead any changes are said to originate from CHQ and then be implemented at subsidiary level. Adding a function that allows direct feedback, reverse communication, from subsidiaries to CHQ is something that would reduce this barrier and enhance the overall GTM program. However, our participants acknowledge that there already are feedback channels; they just tend to be informal and unstructured. Those participants with developed networks and trust at HQ level tend to be able to use informal communication channels to achieve intended results. With these informal communication channels being of vital importance we note that tenure within the organisation and its networks is important for a subsidiary manager and is needed for the subsidiary’s ability to provide adequate feedback. This supports the research that suggests that networks can be viewed as a strategic resource for organisations in general and particularly in the MNE context (Andersson et al., 2002). Open communication channels allow subsidiaries to influence activities that may not be specified or on any agenda. Such influence is specific, based on trust and relations developed over time, and difficult to observe or participate in for those outside the network (Forsgren et al., 2005). Considering the importance placed by Scandinavians of long term relationships, it may help explain the lack of third country nationals that have reached the position of subsidiary manager. Without networks developed over time the ability to influence or even the ability to participate in the discussions that lead to decisions is limited.

There is not just a perceived need to create vertical feedback channels. There is also a perceived need to create horizontal communication channels; official communication channels between subsidiaries that allow specific practices and process experiences and enhancements to be shared. However, none of the participating organisations offers this and instead what communication that occurs does so based on already established networks between the respective subsidiary managers, making the communication limiting and susceptible to potential bias. Again, this supports the notion that internal networks are a key strategic resource and that it is hard to function within a Scandinavian organisation without access to these (Andersson et al. 2002; Forsgren et al., 2005).
aligns with business network theory that states that having subsidiary managers with access to intra organisational strategic networks is important not only for access and ability to influence but also for subsidiary competencies and power across the MNE (Andersson et al., 2007).

There is also an unspoken assumption that all subsidiary managers share the values that form the core of the GTM program. These shared values are expected to be replicated within individual employees that handle GTM practices and processes and form a shared base within the MNE. These values are then supported by the GTM functions practices, for example talent development practices. However, our research highlights that practices and procedures that are implemented within subsidiaries may differ based on the local context and what are deemed improvements to the practice by subsidiary managers. This means that some of the practices, for example development activities aimed at improving the ability to function under an informal leadership, are not deemed as effective by subsidiary management. In these instances, subsidiary management with experience from the MNE often takes it upon themselves to slightly amend the practice to be more effective. However, these minor amendments to the processes and practices are not reported back to CHQ. Instead the perception is that there is tacit support and encouragement for such amendments by CHQ. It is also assumed that this occurs everywhere across the MNE. According to literature, it is a limiting factor that there is no reverse flow of information/knowledge (from subsidiary to HQ). Reverse knowledge transfers have been investigated and researchers found that such transfers facilitate international best practices that can then be rolled out across an MNE using traditional CHQ to subsidiary knowledge transfer channels (Ambos et al., 2006; Frost, 1998; Håkansson & Nobel, 2001; Zhou & Frost, 2003).

Research goes on to suggest that such reverse knowledge transfers are likely to offer improve competitive advantage achieved by MNEs by incorporating knowledge gained at subsidiary level into MNE policies and procedures and to do this there should be official reverse knowledge communication channels. Our research shows that informal reverse knowledge transfer channels already exist and our participants state that these offer them direct communication channels back to CHQ. This particular finding of existing channels that are difficult to understand and access for the non-initiated adds to the body of empirical data. It also adds support for the existence of unofficial, network
based reverse feedback channels at Scandinavian MNEs (Andersson et al., 2007; Forsgren et al., 2005).

6.4.2 Subsidiary level

At the subsidiary level, the TM program aims to standardise processes and practices according to the “country of origin” principle and our findings support that the main goal of both CHQ and subsidiary managers are to ensure that Scandinavian practices are transferred from CHQ to subsidiaries. The “country of origin” literature suggests that, while the business may be global, the MNE looks to its country of origin to find the processes that have provided it with a competitive advantage (Harzing & Noorderhaven, 2008; Pudelko & Harzing, 2007; Sölvell & Zander, 1995). Our research shows that the practices, how TM is applied at subsidiaries, are dependent on both the practices prescribed by the GTM program but also the perception of how to best carry out Scandinavian TM in the context where the participants live. This supports the belief that such differing perceptions may limit the expected results should the local subsidiary manager not understand talent and TM identically to HQ (Harzing & Noorderhaven, 2008). While tasks and processes are standardised, there is always a risk that a subsidiary manager refers to their experiences and interprets a TM process or practice differently than what is expected and this may lead to difficulties with the GTM program.

Our research shows that there is an almost uniform view that to gain the maximum benefits from a TM program there is a perceived need to bring in an expatriate with considerable experience from HQ as a subsidiary HR Manager. This is consistently requested by CHQ by subsidiary managers but not all MNEs allow PCNs to take up subsidiary HR manager positions. This is perceived to be a major barrier to the success of the GTM program. The usage of a PCN HR manager allows for easier transfer of knowledge and understanding of the core values which are at the heart of the GTM program. There is a belief that a subsidiary where the HR manager does not have extensive experience from Scandinavia is weaker and lacks power to influence. This finding acknowledges that knowledge is often tacit and difficult to transfer, recognise and absorb unless prior understanding between the key parties exists (Rogers & Larsen, 1984; Szulanski, 1996). The closeness of the HQ–subsidiary relationship does thus have considerable impact on the extent to which subsidiary knowledge will be absorbed and acted upon by HQ. This supports the suggestions by Ambos et al. (2006), Ahlvik et al.
(2016) and Szulanski (1996). This may further explain why our research shows such determination to choose PCNs as subsidiary managers and such a strong desire to have PCNs take on the role of subsidiary HR managers.

The relationship between the subsidiary and local unit manager is also important. Often subsidiary managers handle more than one location with local units often spread across an entire region such as the Asean. In such circumstances, there tends to be unit managers or country managers that report to the subsidiary manager. Subsidiary managers and local unit managers often lack the same shared goals and there can be a perceived conflict of interests that can affect the TM processes. Subsidiary managers state that most local unit managers don’t place much importance to GTM practices or processes; they are not seen as tools that help the local unit manager achieve goals. It is also perceived, by our participants, that the local unit manager does not share all the core values and thus does not focus on implementing them. Instead they state that the local unit manager only works with the GTM program just enough to look good themselves. Our participants called this “window-dressing”. This often leads to reports about activities that are aimed at pleasing the subsidiary manager, rather than maximising the usage of the processes and practices.

This supports the agency theorists who argue that certain information is withheld from management levels for reasons only known to the local manager. Applying the theoretical lens of agency theory here leads to the notion that the subsidiary often is a regional HQ and that the frontline management often tend to be located in a unit at a different geographical location than regional HQ. Incorporating agency theory into this perspective is natural since agency theory holds a prominent place in the field of international business and is often used to describe HQ –subsidiary relationships (Mellahi & Collings, 2010; O’Donnell, 2000). Using the agency theory perspective, we can see that, while the subsidiary manager has the formal power, the unit management has the power to provide subsidiary management with information that is used to reach decisions. Controlling the information flow and only sending such information that is positive and showing great performance is one potential strategy for unit managers. This is an example of competing interests: while the subsidiary management wants knowledge to be transferred and social learning facilitated, the unit management want to be seen as high achievers. This supports the notion of Barner-Rasmussen and Björkman (2005) that when there is an asymmetry between the goals and objectives from the different actors, local managers may act, not according to the interests of the overall MNE, but instead according to their own interests.
There is evidence that, within the area of control of the GTM program, there are competing interests (between HQ/subsidiaries/local units) that can skew TM activities if there is asymmetry between the underpinning philosophy and the sharing of the core values that shape the work (O’Donnell, 2000; Szulanski, 1996).

There is also a discussion about the Scandinavian practices such as work-sharing, whether they really create the desired effect and whether the local context allows for work-sharing projects to achieve the intended results. Putting a seasoned procurement manager in as a cashier for a few days a year carries a symbolic meaning in Scandinavia, but this symbolism is lost on most HCNs. There is thus a need to spend more time anchoring such projects and ensuring that they aren’t just seen as days “off work” but are real learning opportunities and there appears to be a lack of time and resources to accomplish this. The protocols utilised and filled in by the employees after these practices are also increasing the bureaucratic burden of the individual thereby creating two negatives: first the local individual gets to do what is perceived as a pointless task and then they have to reflect on it.

There is also a belief that rewards and families are not involved enough, something that supports the research of Cordeiro-Nilsson (2009). Common things for locals, such as diplomas, financial incentives and status symbols, are not utilised sufficiently. Scandinavians come from an egalitarian society and do not use titles or construct barriers between different levels of staff within an organisation. However, while this is often deemed an advantage by younger staff, their social context tends to question where the proof of their career advancement is, providing additional stress for them. Improving employee’s status through rewarding participation is not prevalent in Scandinavia but giving a diploma and having a dinner with the families carries weight for our participants. This aligns with prior researchers who found that the involvement of families and the ability to have something to show for an effort is of great importance in Asia (Hassard et al., 2007). Such activities, practices and processes are not accounted for in the GTM program and are left to the subsidiary manager to implement.

6.4.3 Individual level

Our research shows that the greatest challenges are those of the different culture, for example the much greater power distance and the extreme uncertainty avoidance that is
prevalent in Asia. This is very true regarding Scandinavian practices and processes at subsidiary level. With Scandinavian management being characterised by egalitarianism, low power distances and flat hierarchies there is a perception that greater efforts are necessary to acclimatise local employees to these characteristics. This is not accounted for in the GTM program. As previously discussed, there is also a perception that when the local unit manager or team-leader has not bought into the shared values that underpin the GTM practices and processes, the results and understanding of what is expected to be achieved are not forthcoming.

There is also a local expectation that there is a reward after any TM development has taken place. After the conclusion of a GTM process or practice there should be some form of link to new assignments, status or compensation. However, with Scandinavian talent development often being longitudinal and focusing of values and norms, such rewards are rarely forthcoming. Our research shows that there is a perceived need to focus on building some core value based competencies that are deemed to be lacking among local employees; but individual employees often struggle with continuous development that lacks a noticeable relationship with career advancement or rewards. The GTM program does not explicitly link development practices to rewards. This is something that is perceived to be a barrier that limits the local enthusiasm for some practices.

Another core concern that the GTM program aims to address is the lack of prior experience of teamwork, something deemed of great importance to Scandinavian MNEs (Cordeiro-Nilsson, 2009). This is a concern for our participants since they perceive themselves more as being coaches than managers and this implies that there is a need for employees to take part in their own career advancement and participate and suggest suitable career paths. These values and skills, especially team work, social skills and understanding of the flat hierarchies take time to build and our research shows that this is where the focus is for our participants when it comes to GTM work. However, they believe they need greater resources to help create an understanding among some local individuals. This is also seen when it comes to encouraging local employees to work independently and be prepared to offer suggestions to superiors. Likewise, meetings are often perceived as a one-way communication channel by employees, rather than a sharing of ideas and thoughts. These are challenges that can only be reduced over time, through practices such as inpatriation or development activities.
There is a theme in the TM literature that local legitimacy is needed for a foreign subsidiary. This theme links MNE performance to the ability to attain local legitimacy. Local legitimacy is often associated with appointments of HCNs to top management positions (Kostova & Roth, 2002; Suchman, 1995). This school of thought suggests that without local legitimacy MNEs will struggle to identify and select the best talent, since PCNs both lack local understanding and the ability to achieve social acceptance among local talent (DiMaggio & Powell, 1983; Kostova & Roth, 2002; Meyer & Scott, 1983; Oliver, 1991; Suchman, 1995). It goes as far as proposing that perceived foreignness is a liability. Our findings dispute this. Instead our findings show that there is little need for local legitimacy. On the contrary, there is greater employee attraction in having a foreign manager since he/she does things differently and allows for career building among local employees. We can also see that the perceived fairness and transparency of the organisation is something that is sought after by local employees and, instead of foreignness being a liability, it is an advantage when it comes to attraction and retention of talent (DiMaggio & Powell, 1983; Kostova & Roth, 2002). These findings are partially supported by the findings by Mäkelä et al. (2010) and Björkman et al. (2013) who, in their studies of Nordic MNEs in China, have noticed that there is an attraction in working for a foreign subsidiary since it is perceived to be beneficial for the person’s career. Our findings show that this holds true and that the perceived fairness is a key to the talent retention results achieved by Scandinavian organisations in Asean.

6.4.4 Contextual factors

Our research also shows that the local context can present challenges to the success of a TM program. Our participants mention many both institutionalised and cultural contexts that are challenges for the TM program. A key part is the local educational environments. While the technical skills of local employees are superior to many of the western countries, their social skills are deemed poor. There is a perception that the educational system fails to teach students how to interact with each other and together problem solve and how three people’s work can create a better product than an individual’s work can. This hinders the development of the flat hierarchies where collaboration is a key competitive advantage. It also hinders the development of teams that independently take responsibility for tasks and these issues to be addressed by the GTM program. The usage of a TM program that assumes that individuals have worked in teams since they started school and that forming and working in groups comes naturally to them is a danger to the
success of the TM program (Cooke et al., 2014). There is a belief that the some of the local educational systems have a misalignment between the parental desire for students to achieve excellent early results and the need for broad and varied learning to take place. There is also a belief that some of the local contexts produce talent that assumes that they have a right to be selected ahead of others due to them having attended the right schools (Cooke et al., 2014).

In flat hierarchies, where transparency is a key, this is a cause for concern. There is a need to balance this within the TM program and consider educational merits not just based on ranking lists but also based on candidates’ societal status and networks. The GTM program often fails to account for loyalty to individuals from the same educational background that is commonly seen in parts of Asean. This can often be a barrier for the GTM program since the focus is on the background and not the presence. There is also an issue with GTM programs and how extracurricular activities are measured. While in many parts of the world they are deemed a distraction for students and parents may aim to keep their children away from them, in Scandinavia it is natural to play sports, have a rich social life outside of school. Such an inclusion of extracurricular activities as a selection criteria for talent can often appear exclusive of local talent due to a lack of contextual understanding.

Our research also discusses gender biases that act as a barrier to GTM programs and that Scandinavian GTM programs rarely consider this. In Scandinavia equality is expected and taken for granted. That is not the case elsewhere and in the contexts where our research has taken place there is much concern that the females who are excelling are often held back due to a perception that they should not outshine their husbands or brothers, something that would be seen as less advantageous to some Asian families (Chao, 2017). In societies where the females are not deemed to be the primary breadwinners, this can often challenge career progress for females, especially in Asian cultures (Chin, 2011). Sometimes females, even after considerable investment and progress, are stopped from further progress by their immediate surroundings. The GTM programs do not account for this or the need to spend time with the families of the talent and work with them, despite them not being employees themselves.

The notion that the man is the breadwinner is also prevalent in this context and this often means that the values of male candidates are less suitable resulting in a greater amount of
female talent being selected. Most Scandinavians aim for a balance between the genders regarding talent and employee numbers and this is often hard to achieve due to cultural contexts when females outperform males. There are also some conservative areas where males have difficulty in accepting female managers and this can create challenges for the GTM work. Females are often attracted to work for foreign MNEs since they do not look at names or gender but instead focus on performance, this is supported, by Gao, Lin, and Ma (2016) identifies the issue gender as a primary factor negatively affecting career advancement in Asia. This leads to an oversupply of talented females willing to work for the MNEs, further challenging the goal of an equal workplace. According to our participants, females are often attracted by the perception of fairness and transparency which underpins Scandinavian management approaches. This phenomenon, where perceptions about country’s corporate cultures, leads to positive employer branding has been discussed in literature. Froese et al., (2010) show how country images have positive spill-over effects, making employers from those countries appear more appealing to talent. Hence, if the image of a country is positive for specific reasons, such as it is in this case where Scandinavian corporate culture is perceived to offer equal opportunities for females it may attract people to deliberately seek out such organisations (Froese & Kishi, 2013; Moon & Nelson, 2008).

Overall, the challenges to TM program’s success is broken down to factors at four different levels and there is a need to ensure that the TM program sees continuous updates and improvements to maintain its value as a value producing mechanism that allows the organisation to obtain a competitive advantage through their HR capital. The key of the TM program is not to teach specific skills that can solve particular problems but to ensure that the organisation has individuals who together can work and adapt and solve issues as they occur and the challenges outlined in our research reflect this. They are not focused on hard technical skills but instead on soft skills and see them as the main challenges that can limit the success of the TM program.
6.5 Other significant findings

There were several significant points that are noteworthy enough to be discussed, but they do not fit directly under the previous headings. The points discussed below are of particular interest since they can add to present HRM and TM literature.

The first of these sections discusses localisation of management. In the literature, it is assumed that localisation of management should be the preferred strategic option. This is challenged by our findings. Surprisingly, these Scandinavian subsidiaries have little interest in localising management and, despite this, they have no problem attracting and retaining talented employees. These findings provide a new perspective on localisation of management.

The second of the sections discusses two TM phenomena: the war for talent and VUCA. Our findings indicate that these are not grounded in empirical data but instead normative assumptions. In our discussion, we find that there is no support for the assumption that these scenarios are universal. Instead, we offer a different perspective which suggests that the two are consequences of core talent and TM decisions.

6.5.1 Localisation of management

In TM literature, as well as the HRM literature, localisation of management is a commonly discussed topic (Selmer, 1998; Tung, 1998). Mainstream literature proposes that localisation of management is the preferred option for MNEs, since it allows them to achieve local legitimacy, something deemed necessary to better attract and retain talent (Smith & Bond, 1993; Tung, 1998).

Our findings show that Scandinavian participants do not believe in the localisation of management notion nor do they seek for this to be implemented. Instead they believe that
Scandinavian organisations should be led by a Scandinavian ensuring that values remain consistent within the MNE. There is also a perception that knowledge obtained by those who have spent years within the MNE allows them to act as “culture guarantors”. While this approach might portray them as gatekeepers, their perceptions are that only a Scandinavian can ensure that there is a focus on implementing Scandinavian management values, practices and processes.

The assumption that localisation is an active goal for subsidiary management does not see support by our participants. It is also important to note that our managers provide a different perspective to the main body of literature that stresses that it is advisable to factor in cultural distance when appointing a subsidiary manager and try to select a person whose cultural background is as similar as possible to that of the host culture (Selmer, 1998; Smith & Bond, 1993; Tung, 1998). Instead, our findings suggest that there is a preference for PCN managers. By deliberate appointments of Scandinavian subsidiary managers, the MNE obtains an advantage when it comes to attracting and retaining talent. It is commonly stated that since Scandinavian managers provide a different culture, different values to local managers, these values in themselves attract talent, for example female talent. Scandinavian managers are perceived as providing fairness and egalitarian beliefs that reduce a perceived bias that is believed to exist among local managerial candidates. This behaviour and perception may be explained using the principle of “inverse resonance” (Carr et al., 2001). This principle is based on the concept of attraction of the opposite; in particular female employees stress that they prefer to work for a Scandinavian manager. This is because Scandinavian managers do not assume that females are less suited to a corporate career or that females should be placed below male colleagues in any informal organisational environment.

Our participants also stress that subsidiary management should be a position held by a PCN or someone with long experience from living and working in Scandinavia. They state that since managers act as facilitators of knowledge transfers between the parent organisation and the subsidiary, a lack of Scandinavian exposure would restrict the effectiveness of a subsidiary manager. They also state that since a key task for subsidiary managers is to ensure standardisation, experience from the parent organisations helps ensure that the organisation’s practices and processes are aligned. Knowledge of the parent organisation, its practices and processes, gained through tenure, also has the advantage that it provides the subsidiary manager with established social networks and
cultural understandings of the organisation. This perception complements the research that has found that, because the control and replication of practices and processes are key areas for management of subsidiaries, a PCN is the more suitable choice to lead subsidiaries (Harvey et al., 2001; Harzing & Sorge, 2003).

While more research is needed regarding localisation of management, the observation that local expatriates are not facilitating localisation of management is not a surprise. Had there been a desire to localise management among Scandinavian organisations, such localisation would have taken place over the last 20 years. It is not hard to localise management. In short, CHQ and the expatriate subsidiary managers together stop the localisation of management. Local managers are becoming more common though; the emergence of regional HQ has seen country manager positions (local unit managers) being localised. Many of the talents that have been developed through the GTM program are today country managers for territories as large as Indonesia or working in managerial positions in China. But to reach the position of regional manager, there is still hesitation about the usefulness in appointing an HCN within the researched organisations.

6.5.2 Reality vs Rhetoric - War for talent & VUCA

Our findings disagree with one of the fundamental assumptions of TM research, the assumption that there is a “war for talent” going on. The “war for talent” assumption implies that there is a new generation of employees that do not believe in tenure with organisations and there is thus a need to adapt the TM programs to better cater for this new challenge. This assumption is that talented employees do not wish to stay with one organisation but instead move from one organisation to another and that the competition for talent is thus fierce. This implies that there is a scarcity of talent, that talent is innate and that the talent pool is exclusive and narrow. Some academics have chosen to call this new kind of worldview the VUCA (Volatility, Uncertainty, Complexity, Ambiguity) era.

VUCA is said to represent a new situation that faces HRM participants, a situation where speed is increased and decisions are short term, i.e. VUCA “reflect an increasingly unstable and rapidly changing business world” (Lawrence, 2013, p. 2). Cappelli (2008) linked VUCA to TM and suggested that organisations do not adapt their TM approach to reflect the business world of today and this reduces their overall competitiveness and increases their costs. This implies that creation of long term plans (including succession
plans) is a waste of time (Cappelli, 2008, p 77). Long-term planning will be pointless since individuals can and will quickly move on to a competitor. This makes TM a cost and not an investment that can deliver long-term benefits.

Our findings did not find any evidence supporting the assumptions of a world characterised by VUCA. To the contrary, our participants perceive that a volatile world brings more stability to their organisations and the more volatile the local region is, the more likely employees are to remain committed to the organisation. Whether this finding is true for just Scandinavian MNEs or whether it is universal can only be confirmed through further research. However, it clearly indicates that another reality exists and it adds another perspective to “the war for talent” assumption. Our findings also challenge the fundamental underpinning of the VUCA school of thought. It disagrees with the notion that the VUCA “reality” has changed core HR functions such as talent development and made succession planning redundant. Both the perceptions of our participants and a key performance indicator, retention rates, show that the organisations are often retaining staff at levels that are almost limiting new “fresh” talent. Our participants’ organisations had retention rates above 90 percent and there was not a single practitioner that had experienced high staff turnover. Whether this can be correlated to a different approach by management, by context or by timing issues (only valid in a specific time period) is a topic for further research. However, the notion that long-term TM work will lack relevance since the perceived state of the world is volatile and employees are unlikely to want long term commitment (VUCA) is disputed by our findings.

Instead we argue, based on our findings, that the realities described in the “war for talent” and “VUCA” literature are shaped by the organisations’ philosophical choices regarding talent. By adopting an exclusive approach to talent, these organisations have created a situation of talent shortage and they choose to compensate for this by recruiting heavily from other organisations. This self-created reality leads to a glorification of outside talent and it shortens the time horizon that HR participants work with. It is also our belief that this leads to another necessity: a dependency on outside assessment centres and recruiters that can help fill talent shortages. We do not believe that such a reality can be assumed to be universal. These findings add to the research of Downs and Swailes (2013) who suggest that the “war for talent rhetoric” brings a dark side to the practice of TM.
Another underpinning concept in the “war for talent literature” is a belief that a human resource is a competitive advantage and that this competitive advantage can be replicated by acquiring the individual. That talent becomes a scarce commodity over which organisations fight. This reality, scarcity of talent producing fierce competition for a few select individuals, is not one that our participants recognise. They have not come across an environment where there is a lack of talent and a fluid labour market situation that leads to a few select talents being able to “corner the market”. Our participants suggest instead that there is an oversupply of talent, and a lack of volatility and movement among employees. They back this up by pointing to retention rates which, as already stated, are above 90 percent.

While retention is not an issue *per se*, it is not something that our participants work operationally with. Instead, retention is for Scandinavian organisations a KPI that is used to measure the health of the organisation and the activities carried out by the HR Manager. If the retention rate is low (low being generally considered below 85 percent), it is expected that there are particular reasons for this and the HR function will have to explain the poor numbers. In short, our participants agree that retention numbers is a KPI rather than something that HR participants actively work with; as previously suggested in Scandinavian management literature (Grenness, 2003).

6.6 Summary of the chapter

This chapter discussed, compared and contrasted the findings with the literature on TM. It relied on the research questions to guide the chapter and to present the most interesting themes that originated from the qualitative interviews with our participants. The discussion highlighted several areas where the lived experiences and perceptions shared by the Scandinavians participants were very different from the dominant themes found in current literature.

The first area focused on what is a talent, who is considered a talent and our participants’ perceptions of TM. Understanding what is a talent and who is considered to be a talent allows us to interpret the experiences and realities that the participants have shared. These philosophical underpinnings shape all TM work within the MNE and clarifying them helps provide an in-depth understanding of the participants’ realities. Our participants’
understandings were of particular interest since they provided data that differed from the main body of literature. TM literature normatively assumes that an exclusive approach to TM is the “best approach” to talent and TM (Boudreau & Ramstad, 2005; Höglund, 2012; Iles et al., 2010a; Lewis & Heckmann, 2006). However, our participants utilise an inclusive approach to TM and perceive that doing so provides them with a strategic competitive advantage.

Our participants assume that all employees are talents and thus part of the talent pool. This also means that they believe that all employees should be invested in. This differs from the literature which often suggests there a limit of the talent pool of around 10%-15% of the total number of employees and that most investments should be directed towards developing and rewarding them (Boudreau & Ramstad, 2007; Lewis & Heckman, 2005; Richardson & Thompson, 1999; Skuza et al., 2013; Tarique & Schuler, 2010). Our participants stated that such a focus on a limited group of employees leads to an organisation with low morale and inadequate overall organisational performance. With an inclusive approach to talent, a continuous focus on talent development comes naturally. Our participants perceived the key characteristic of talent was the ability to fit well with the organisation and local unit. This fit, both on an organisational and individual level, is not discussed as a characteristic of talent in the literature; instead the literature focuses on characteristics such as individual skills, competencies and abilities (Boudreau & Ramstad, 2007; Cappelli, 2008; Iles et al., 2010a; Tarique & Schuler, 2010).

We also found that our participants tended to, within the framework of the GTM program, amend and alter certain processes to better reflect their local context. This was referred to as internal flexibility. The existence of such internal flexibility is seldom considered in present TM literature; instead the literature tends to assume that TM is universally adopted by the MNE (Al-Ariss et al., 2014; Mellahi & Collings, 2010; Tarique & Schuler, 2010; Vaiman et al., 2012). Our findings challenge this and provide support for the assumptions made by Cooke et al. (2014) who suggested that internal flexibilities have always existed within a GTM program and this is often ignored in current TM research. Our participants’ adjustments were perceived to be undertaken with a tacit understanding of HQ that it is the subsidiary managers’ role to ameliorate practices and processes to fit with local context.
The differences surrounding the GTM program adjustments to local context can probably be explained through empirical research biases. Present TM literature has mainly collected empirical data from HQ level and there is normally an assumption that findings generated HQ level are valid across the MNE (Al-Ariss et al., 2014; Iles et al. 2010b; Khilji et al., 2015; Mellahi & Collings, 2010; Tarique & Schuler, 2010; Vaiman et al., 2012). Our findings dispute this, instead showing that specific TM activities undertaken at subsidiary level do not mirror completely those at HQ level. This is significant since the impact of specific processes or practices in the GTM program, used to identify, select and develop talent, becomes difficult to measure across an MNE.

Our findings show that talent was primarily identified by tools such as 180-degree feedback looking for fit with the values, culture and norms of the MNE rather than through a numerical performance management program which measures individual skills and competencies. This differs from the main body of literature where numerical performance management programs are suggested to be the preferred and “best” approach to talent identification (Boudreau & Ramstad, 2007; Cappelli, 2008; Iles et al., 2010b; Vaiman et al., 2012; Tarique & Schuler, 2010). However, this finding aligns with the talent philosophies underpinning the Scandinavian approach to TM where focus is on the team and ensuring it provides added value (Grenness, 2003).

Our findings on talent selection are similar. Selection is overseen by managers and is primarily based on intuition (experience). Selection is made when there is a belief that an individual’s values, beliefs and understandings align with the MNE’s culture and norms. To assist with the identification of a fit between the individuals and the MNE’s cultural beliefs and norms, the participants state that there is a reliance on reports (often in the form of 180-degree performance management feedback), value based assessments, prior exposure to team environments and on internal recommendations. This emphasis on strategic fit and capability to interact within the organisation and managers’ use of intuition (based on experience) sets the selection processes apart from the literature. The main body of literature suggests that talent is selected based of innate skills and specific capabilities (Cappelli, 2008; Huselid, 1995; Lewis & Heckman, 2006; Richardson & Thompson, 1999; Skuza et al., 2013; Tarique & Schuler, 2010). This supports again the suggestion that for Scandinavian managers the team is of greater importance than the individual (Holt-Larsen & Bruun de Nergaard, 2007).
Our participants’ approach to talent development also differs from the commonly assumed theme in TM literature where so-called “best practices” are identified and replicated across the MNE, assuming that this will lead to superior organisational performance (Huselid, 1995; Lewis & Heckman, 2006; Richardson & Thompson, 1999). Our findings show that a continuous development of culture, values and norms is undertaken. Such a development focus is believed to produce teams that create superior organisational performance. The associated focus on soft skills (people skills, values, culture) and not hard skills (technical ability, certifications) differs from present TM literature which normatively assumes that talent development means a continuous investment into identified individuals’ specific skills and competencies (Cappelli, 2008; Lewis & Heckman, 2006; Skuza et al., 2013; Tarique & Schuler, 2010). Our findings align with the suggestions made by Jørgensen (2004) and Harvey (2005) who found that if the right values, competencies and general knowledge about the organisation and its specific way of working are instilled into employees then a competitive advantage can be achieved.

The third focus was on specific limitations, challenges for GTM programs employed at subsidiaries. During our research, we realised that the concerns are on four different levels: HQ, subsidiary, individual and contextual levels. Each level is associated with several specific challenges that need to be overcome by the subsidiary manager (see Table 6.1). These findings provide a basis for future studies that can investigate the specific issues discovered by this research. It is of particular interest to consider the managerial understandings that are required for subsidiary management of GTM programs. The people who work with GTM programs at subsidiary level are expected to have a specific contextual understanding but also an in-depth knowledge about the MNE’s core values and skills. This is likely to be one of the reasons why there is such a reluctance among the Scandinavian MNEs to utilise HCNs as subsidiary managers.

Therefore, our findings challenge the commonly held perception that subsidiary management should – over time – be localised (Vaiman et al., 2012, Tarique & Schuler, 2010). Instead, our participants stated that any attempt to localise top management will risk losing the core understanding of the MNE, its values and its culture, and thus reduce the strategic advantage that the organisation is perceived to have. Additionally, the attempt to localise management is found to negatively affect the ability to attract and retain HCN talent, in particular females who value Scandinavian managers since they are
perceived to be less biased and more egalitarian. Thus, our findings challenge the notion that localisation is needed to achieve a strategic competitive advantage (Smith & Bond, 1993; Tung, 1998).

Finally, our research shows that the “war for talent” rhetoric prevalent in most TM literature cannot be assumed to be a universal reality (Collings & Mellahi, 2009; Khilji et al., 2015; Lewis & Heckmann, 2006; Michaels et al., 2001; Tarique & Schuler, 2010, Ulrich & Smallwood, 2012; Vaiman et al. 2012). Instead our research shows that it is a reality shaped by philosophical choices made regarding talent and TM. Our contribution complements the findings of Downs and Swailes (2013) who suggested that TM and the assumptions behind “war for talent” rhetoric lack supporting empirical data. Our findings highlight that the participants had no difficulty in attracting or retaining talent for Scandinavian subsidiaries in Asean. Talented employees are ready to commit long-term to Scandinavian MNEs and retention rates show a very different reality for our participants. Thus, this research disputes the “war for talent” assumptions and instead finds that there is adequate supply of talent.

The next chapter will provide a concluding discussion. It will start with a discussion of the key research questions and then it will focus on the main implications for theory and for practitioners. It will also suggest some potential future research areas as well as limitations of this thesis’ own research.
Chapter 7: Conclusion

7.1 Introduction

This chapter will focus on some core findings from previous chapters that are of specific interest to the TM body of literature. TM is a field where there has been a call for further empirical data at both micro and macro levels of organisations. This research set out to provide such data, through a study of GTM programs at subsidiary levels of MNEs. The present body of TM literature is focused on TM at HQ level and the perspectives of subsidiary levels are rarely sought, despite TM being a tool employed in MNEs that have subsidiaries across the globe. It was thus felt that there was a need to provide empirical qualitative data on GTM programs at subsidiary level to complement the present body of literature and thus generate a more holistic view of TM.

A common assumption in much TM literature is that findings generated at HQ level could be deemed valid for the entire MNE. This research has found that such assumptions cannot be assumed universally, instead the realities of TM at subsidiary level might differ from those at HQ level. It is also necessary to consider the underlying philosophies for the GTM programs and link them to any assumptions about TM processes and outcomes. This research has produced findings that can help theory better understand the link between TM philosophical assumptions and TM processes and outcomes. It presents a reality where common underlying themes in literature, such as the “war for talent”, are questioned. This will help both researchers and practitioners better understand the different realities that influence the employment and practice of TM.

This chapter will present, first, a brief context to the study and highlight some important areas of TM. Second, it will discuss the implications for theory, focusing on key findings and how they relate to the present body of TM literature. Third, it will provide some key implications and suggestions for practitioners. Fourth, it will discuss limitations to this study and future possible future research areas.
7.2 Reflecting on GTM programs at Scandinavian subsidiaries in Asean.

The purpose of this study was to investigate how GTM programs are employed at Scandinavian subsidiaries from the viewpoint of the managers in charge of them. While there is little Scandinavian TM research, there is a large body of TM literature. Despite this, subsidiary GTM programs are rarely researched, instead it is assumed that findings from HQ level are valid at subsidiary level. Subsidiary GTM practices and processes are thus described and analysed based on data and views obtained from research undertaken at HQ level. This is not ideal since the context differs and there is little empirical data to show how GTM programs are employed at subsidiary level and what impact they really have. Additionally, the present body of literature offers little empirical data to explain how the GTM program, its practices and processes, is transferred to the subsidiary (Beamond et al., 2016). This lack of practical insights keeps the TM discussion at an abstract level with no understanding of the practical implications of GTM programs across an MNE. Instead there is an assumption that by providing the “best” strategic TM practices (a normative discussion) the MNE will reap a competitive advantage.

This research set out to explore perceptions and experiences of those who employed GTM programs at subsidiaries. Using a qualitative interpretative methodology, the participants were allowed to discuss their experiences in-depth with a researcher familiar with the realities of GTM programs and subsidiary management. This allowed the researcher to gain trust and the participants discussed at length their (often frank) perceptions of GTM programs and their impacts on subsidiaries. The interviews led thereby to some very interesting findings that will add to the present body of literature.

From the discussion, it was clear that subsidiary managers “tweak” the GTM program to suit their context without a designated feedback channel to HQ. 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 TM process across a MNE. Thus, TM research undertaken at HQ level will not provide the full picture of GTM programs. In the literature, there is little discussion on how subsidiary managers “tweak” GTM programs and that they believe it is their right to do so. This has led to the literature missing some important discussions on, for example, feedback channels on changes to
GTM programs. The knowledge that subsidiary managers amend GTM programs is an important understanding and research needs to take it into account.

There is also an assumption, prevalent since the “war for talent” research was published, that there is a shortage of talented individuals. However, this normative assumption cannot be assumed to apply universally. Many MNEs face a different world where there is no talent shortage. Instead contextual factors such as infrastructure and geographical borders are the main constraints to talent hiring. Even locally, our participants felt that there was a surplus of talent. This presents a different reality to that found in the main body of literature. The assumption of a worldwide shortage of talent may stem from the mainly Anglo-American theoretical base that underpins TM literature. As argued by Brewster (2004), in respect of HRM policies and practices, it is problematic to rely on Anglo-American research and its assumptions of universality. Our findings disagree with the reality described in “the war for talent” and indicate that this phenomenon is not universal. That reality might instead be associated with specific choices made regarding talent and TM. Those that assume that talent is a few select individuals and focus their development and rewards on those selected few will inevitably face the realities described in “the war for talent”. Using a Scandinavian approach to talent and TM provides a different reality where talent is consistently generated through internal talent pipelines. While this works for Scandinavian companies, further research is needed to confirm whether this can be translated to other contexts and corporate cultures.

This research project has found that context shapes the understanding and experience of GTM. Thus, it challenges the literature view that integration is necessary to allow the MNE to utilise its scale and ensure that all parts of the organisation act in unison when strategic decisions are taken. This approach to GTM suggests that TM is a tool to standardise and ensure that the subsidiary TM performance is controlled and potentially compared. However, the participants highlighted a risk of “clonism”. They argued that MNEs need to ensure that they are part of the contexts where they are found. Thus, for Scandinavian subsidiary managers, there is a belief that this risk is reduced when the GTM program provides specific and detailed requirements regarding talent identification, selection and development but also ensures that there is breadth and context sensitivity within the program.
The latter is achieved by the fact that subsidiary managers of Scandinavian MNEs, while attempting to transfer the GTM programs, also amend and adapt these practices and processes to better fit the local context. 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. This means that, while there is considerable support for a standardised approach to talent and TM, there is, at the same time, an effort to use the GTM program’s functions as effectively as possible in respect of the subsidiary context. The program “tweaks” 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 program within the broader region covered by the subsidiary. In particular, this is the case when it comes to talent development practices such as inpatriation.

It is noticeable that Scandinavian MNEs’ ethnocentric approaches to managerial staffing are supported by the local subsidiary management. Our participants believe that since most transfers of knowledge and values are tacit only someone with experience from the parent organisation can determine what kind of knowledge should be transferred and facilitate such transfer. Tacit knowledge is rooted in the experiences and understandings of the individual and if you want to enhance organisational values and culture, experience of how this is passed on makes a difference. This makes a solid grounding in Scandinavian management important. 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 will be lost.

7.3 Implications for theory

This research responded to the recommendations of many authors who had asked for further empirical data on the implementation of GTM programs at both micro and macro levels of organisations (Al-Ariss et al., 2014; Björkman et al., 2013; Schuler et al., 2011a) by looking at TM on a micro level, focusing on the perceptions of GTM held by managers of Scandinavian subsidiaries in Asean. The aim of this was to further the topic of TM and ensure that theory is based on empirical data. For TM to advance as its own research field,
there is a need to consider how future theorising should frame the topic. This research has implications for this. Having analysed and discussed the perceptions and experiences of our participants it is clear that their Scandinavian assumptions in regard to talent, TM and the TM practices and processes differ considerably from the main themes of literature. This allows TM to obtain a broader more holistic understanding of the topic. The research is especially interesting for those that look at TM through an IHRM or human capital lens. Here, the findings will help provide some advances to theory by providing specific points that should be considered and kept in mind. Discussed below are specific areas where our findings impact on theory.

1. Providing a different context, the Scandinavian subsidiary context, to existing TM literature

Presently most TM literature makes assumptions that are often based on descriptive studies from one context, the Anglo-American. This research adds to that by presenting a different context where several new implications for TM is noted. The suggestion to add more contexts have been made by many scholars, whom have argued that to obtain a more holistic view of the TM phenomena further empirical data is needed, especially from micro level (Ahlvik et al., 2016; Ahlvik & Björkman, 2015, Al-Ariss et al., 2014; Toterhi & Recardo, 2013). This new context provides some important contributions. First it argues that there is a need to link the various internationalisation strategies with TM outcomes. This specific Scandinavian context provides for very high retention numbers through a strategy that focus on lower pay, high development, value based management focusing on egalitarian, co-determination and constructions of successful teams. This showcase that there are various contexts that may provide various TM results and there is a need to ensure that assumptions in regard to best practices are not assumed to be universal. The Scandinavian approach to TM is thus an addition to the main TM literature and provides a context no discussed or commonly found. Here key considerations such as a focus on inclusive TM, a focus on identifying talent that fits into and shares that values of the organisation and a focus on talent development is practiced. This shows that there are different pathways to TM, and internationalisation strategies and this particular Scandinavian needs to be acknowledged as one specific contexts whose results makes it interesting since it differs from many of the more common approaches in TM literature.
2. Providing a different context, that’s of the subsidiary practitioners, adds to TM by providing a boundary for those attempting to theorise based on findings from HQ level and assume they are valid across all levels of the MNE. Findings derived from HQ cannot be assumed valid at subsidiary level, specific considerations for various levels of MNEs are needed. Studying the present body of literature, it is clear that the TM empirical basis was derived from research conducted mainly at the HQ level of MNEs but assumed valid across not just the entire MNE but also across geographical, cultural and institutional contexts. Our findings add to theory by providing empirical data showing how practitioners at subsidiary levels operationalise the TM program. Our research identifies four levels that the practitioners see specific challenges and opportunities and suggest that any GTM program and future framework should consider TM implication strategy based on the suggested four levels. This would be especially suitable when researchers consider the internationalisation process and the contexts that is faced by MNEs. Presently there are theory discussing internationalisation and subsidiary TM and this study adds to it by showing how the approaches to GTM programs across a MNE provides for specific solutions that are based on the specific contexts (Ahlvik et al., 2016, Björkman et al., 2011).

Our findings provide data showing that TM practices are not identical across the MNE, instead they are subjectively applied and sometimes amended (within the spirit of the GTM program) to suit local contexts. Our finding complements and adds to prior research that shows that not even at HQ level are TM practices carried out exactly according to the manual; instead a subjective application may sometimes occur (Ahlvik et al., 2016; Beamond et al., 2016; Charan et al., 2011; Nankervis et al., 2012; Scullion et al., 2008; Skuza et al., 2013; Toterhi & Recardo, 2013). This research also indicates that any assumption that findings from HQ level are generalisable for the entire MNE is unlikely to be valid.

3. “The war for talent” scenario is just one reality, not a universal truth

Our research also adds to the body of literature by showing that the reality described in “the war for talent” is not universal. Our contribution complements the findings of Downs and Swailes (2013) that the assumptions behind the “war for talent” rhetoric lack supporting empirical data. For our participants, attraction and retention of talent is not deemed an issue; instead it is perceived that there is greater supply than demand for talent. The perceived reality assumed in the “war for talent” is thus likely to be a creation of
specific practices and processes deployed by some MNEs. The near-universal acceptance of the “war for talent” reality may exist because of the dominating Anglo-American world view that has been guiding the underpinning principles of TM. Instead this research shows that the underlying TM practices can produce different processes and outcomes. Future research would do well to consider whether the situation described in the “war for talent” is derived from fundamental choices made in relation to talent and TM processes and practices.

In our research, there is evidence of this. Here, talent is not limited to a few select individuals or managerial talent, it is developed internally using long-term plans and there is no evidence of any difficulty in retaining developed talent. Our participants see talent as something to be identified in each employee, that TM should be an inclusive concept and that through continuous development of all employees, their values and their abilities to problem solve and interact in teams, competitive advantages are achieved. This provides another perspective to those who promote an exclusive and innate talent approach and believe that identifying these “high-potential” individuals is “the way” to achieve a strategic competitive advantage. By assuming that talent is exclusive and innate, the talent pool is limited to a finite number of individuals and, as a direct consequence, this means that all MNEs will compete for these talented individuals. This scenario, the “war for talent”, is thus in our view a direct consequence of the philosophical assumptions made regarding who and what that is a talent. The scenario where there is competition for a few high potentials can exist in reality but the creation is arguably artificial and can be avoided with different talent assumptions and a different approach to TM. This needs to be given further consideration in most TM literature where the two realities and pathways are not presented equal, instead assumptions of one being universal is too common.

4. The VUCA trend does not exist universally
Our findings show that the VUCA trend is a reality that has not been experienced by subsidiaries of Scandinavian MNE. Instead our findings show the opposite, the investment made by Scandinavian MNE into their talent, as prescribed by their GTM program, shows that there is very low employee turnover and thus long-term TM planning is suitable since employees remain committed to the MNE. We would thus like to emphasise that for those MNEs that use a Scandinavian approach to employees, with its cultural assumptions, management styles and a Scandinavian design of the GTM program, the reality may differ from the VUCA reality. This research thus suggests that
when there is a different approach to TM, the results and the perceived reality may differ. This means that VUCA cannot be deemed universal and instead one of many possible realities. Our findings thus present a different perspective and disagree with those who suggest that VUCA practice needs to be reflected in TM work (Cappelli, 2008; Lawrence, 2013). It is thus suggested that VUCA is not assumed universal but one of many possible realities and that this is reflected in future theory where a balanced approach where multiple realities are acknowledged.

5. Constructs of talent can be expanded by adding a team level factor
When it comes to talent, our findings suggest that present theoretical models need to add the team factor to discussions about talent. In TM literature there is a focus on the individual factors solely, however our research shows that there is a need to add to this by ensuring that the discussion is not limited to people but also how people function within teams. We thus suggest that based upon our research a team level factor is included in TM frameworks and theories. For example, the talent wheel (Figure 2.4) would be well served by introducing the context of team and fit. This adds to the present theory by proposing that two more factors need to be considered when we discuss talent. Talent cannot be just seen as an individual construct but also as a team construct and models and frameworks will need to reflect this. Present body of literature sees talent from an individual perspective and primarily being about skills, abilities and knowledge (Dries, 2013; Gallardo-Gallardo et al., 2013; Meyers & van Woerkom 2014; Ulrich & Smallwood, 2012). Considering not just how the individual can contribute to competitive advantage but also understanding how they may provide an added benefit for a team adds to present theory and provides an implication that those wishing to theorise and analyse GTM would do well to consider.

6. Scandinavian talent management is egalitarian and focus on deriving competitive advantages through best fit.
This finding also has implications for Scandinavian management theory. It provides another angle that is contributing to a greater understanding of what Scandinavian TM is. Presently the assumption that TM is solely about the individual is based on studies carried out outside of the Scandinavian context and when here those assumptions are applied we see a new picture emerge. One where the assumptions, differ from the lived realities of Scandinavian TM practitioners. Our participants show that their primary concern is not solely the individual’s skills, abilities and knowledge, as is deemed the primary concern
in most TM literature, but instead they look for a value fit, an ability to align with the
organisational culture and fit into and add to the specific team where the vacancy is
located (Stahl et al., 2012; Tarique & Schuler, 2010). This presents a Scandinavian
approach to TM. An approach that sees our participants look to construct teams and to do
so they identify values that are shared, they identify behaviours, emotions and beliefs and
these provide the values that are expected to fit within a precise team, location and
context. This aligns with suggestions by Buckingham and Vosburgh (2001) and Cheese
et al. (2008), who states that talent characteristics are not limited to and focused on
individual skills, abilities and knowledge. links with Scandinavian management theory,
showing that Scandinavian managers do not see the individual characteristics only, but
also the ability to add value to a team and that a talented team is always preferable to a
talented individual (Grenness, 2003; Holt-Larsen & Bruun de Nergaard, 2007).

This finding also sees an establishment of a more egalitarian TM approach practiced by
Scandinavian TM practitioners. There is a belief that all employees are talent and that the
practitioners job is to make the best out of each individual. Scandinavian TM has here
presented a view that talent is inclusive and that each individual requires development.
The belief is that all human resources are valuable and that it should be reflected in the
TM practices. Scandinavian TM thus disapprove of those believing that a resource based
view of employees is preferable, instead choosing an inclusive approach to achieve
competitive advantage. Focusing on just a few select individuals reduces the teamwork
and this is believed to negatively affect productivity. Participants stated that any perceived
improved performance of an individual by using an exclusive TM approach would be
offset by the perceived reduction in performance from a lack of teamwork and that the
overall result would be negative. This philosophy differs from the main body of literature,
where researchers have suggested that the exclusive approach to talent is the most
efficient one (Boudreau & Ramstad, 2005; Höglund, 2012; Iles et al., 2010b). It also
differs from literature where the focus for TM is on identifying managerial talent
(Boudreau & Ramstad, 2005; Höglund, 2012; Lepak & Snell, 1999; Schuler et al., 2011a).
Our findings show that if you deploy the Scandinavian TM strategy, it will seek to
develop the talent of every employee and this avoids a scenario where a limited pool of
talent receives most of staff investments and resources. This leads to a situation where it
is less likely that talent will be “poached” by competitors and, even if talent is poached
by competitors, the continuous development of staff prevents a talent shortage. Thus,
adding a Scandinavian perspective to TM increase the understanding of the topic and
provides further data that those wishing to construct TM frameworks or models should take into consideration.

Our research adds to Scandinavian Management literature. It presents empirical data that highlights Scandinavian TM philosophies, including perceptions of talent as inclusive and long-term teachable characteristics of a “team player”. It also finds that workplace cooperation and workplace teams are perceived to be the most important tool to generate a strategic competitive advantage for Scandinavian MNEs. It also adds empirical data supporting longevity showing that Scandinavian managers look often five and ten years ahead when planning. Our findings also support those that identified egalitarianism and low power distance as two of the most noticeable characteristics of Scandinavian management practices (Holt-Larsen & Bruun de Nergaard, 2007).

Our specific Scandinavian GTM findings show that egalitarian division of resources within a TM program is a typical sign of an inclusive approach to talent and TM and that such an approach tends to focus on long-term development of employees and intra organisational structures to provide a competitive advantage. This adds to the conclusions made by Buckingham and Vosburgh (2001) and Groysberg et al. (2004) who assumed that the outcome of a GTM program depended on the core talent and the TM assumptions that guide which specific TM tools are employed.

Finally, our research has noticed that Scandinavian management literature has not seen much new research undertaken during the past decade and it is hoped, therefore, that by providing a Scandinavian perspective on subsidiary TM, this research can further advance the interest in Scandinavian management.

7. Scandinavian MNEs perceive that they obtain legitimacy by presenting an alternative to local management

Neo-institutional theory literature often claims that adaption to local context and localisation of management is important since it provides local legitimacy. Several studies have suggested that it is advisable to factor in cultural distance when appointing a subsidiary manager and try to select a person whose cultural background is as similar as possible to that of the host culture (Selmer, 1998; Smith & Bond, 1993; Tung, 1998). However, our findings differ: through deliberate appointments of PCNs as Scandinavian subsidiary managers the MNE obtains an advantage when it comes to attracting and
retaining talent. Instead of seeing legitimacy through adaption to local contexts, Scandinavian MNEs perceive that they obtain legitimacy by presenting an alternative to local management. That working for MNEs that sees Scandinavian management in itself provides a competitive advantage since such management is perceived as being fairer, more supportive of for example female employees and provide a working environment and culture specifically sought by local employees. Thus, legitimacy is being created through offering something that is seen to be ‘better’ by local employees, rather than being about conforming to the standard way of operating.

Our participants also highlighted the role they play in transferring knowledge and values from the parent organisation to the subsidiary, something deemed of vital importance for inclusive, value laden focused GTM programs. Transferring values requires experience that have been obtained over a certain amount of time and they perceive themselves as being facilitators of knowledge transfers between the parent organisation and the subsidiary. This transfer requires built up social capital, as in built up network, shared values and common understanding of expectations, something that only those whom have been present at CHQ for years have accumulated (Li et al., 2007). We argue that this function of transferor of social capital that the participants play is one key to provide a Scandinavian management style within foreign subsidiaries and that this function is perceived as vital to transfer the MNEs strategic competitive advantage across subsidiaries. This supports research by Bounache and Brewster (2001) who suggested that usage of PCN facilitates transfers of intra organisational values and norms. It is also important to note that most knowledge that is transferred is not explicit but tacit, making it hard for anyone without lengthy experience and exposure at the parent organisation to facilitate such transfer [as an aside, this is also a characteristic of sustainable competitive advantage as it cannot be copied or bought in the market]. This adds another explanation as to why there is such reluctance to hire HCN as subsidiary managers.

7.4 Implications for practitioners

This study has several findings that could be of interest for practitioners. Based on the participants’ experiences and how GTM programs are employed at Scandinavian subsidiaries, we can offer some recommendations and suggestions that may be useful for other TM practitioners.
1. Increase the usage of PCN HR managers at regional HQ

While there is an increased cost in having a PCN (in this case Scandinavian) HRM manager, it was the perception among all participants that having such a manager is the single most effective strategy to generate quality out of the GTM program. This is because the PCN HRM manager ensures that the program and its application manage intrinsic knowledge, and adheres to the corporate culture and specific MNE values. Using a PCN HRM manager is also perceived to enhance the ability to attract and retain talent since working for a Scandinavian manager is seen as attractive to Asean talent. This had been specially mentioned by female candidates who placed considerable value on the open and egalitarian management style of Scandinavian managers. For non-Scandinavian managers, investigating the link between retention and employer branding as well as retention and management style might help in adjusting the MNE’s talent retention or talent acquisition.

2. Continuous and long-term focus on internal talent

The Scandinavian tradition of working with a philosophy that is inclusive, long-term and team-orientated is perceived as being one of the key competitive advantages that Scandinavian companies have over their competitors. These strategies focus on generating a corporate culture of cooperation, not competition. Acknowledging every employee and working with them, developing each career both individually and within the team/unit provides the Scandinavians with a strategic competitive advantage. It boosts overall team spirit as well as strengthening the bond between employer and employee, the psychological contract. The focus on internal talent identification and development helps foster an organisation where not just a few identified high performers feel acknowledged and important, but where every employee feels that they are a team-member who the company is investing in and relying on. This is further supported by the employment of an inclusive performance management strategy, for example 180-degree feedback, and development goals set by the employee and monitored by them, their teams and their managers.

3. Acknowledge that there is a tacit understanding between HQ and subsidiary managers that local management will make amendments to the GTM processes and policies and establish feedback channels to generate insights across the MNE.
There is a need to understand that all Scandinavian subsidiary managers make, within the context of the GTM programs, amendments to the processes and the policies so that they suit the local social, political and cultural context of the subsidiary. This means that straight comparisons between subsidiaries will not be valid or reliable and thus do not provide accurate decision making material for senior management. Specific amendments are done based on the local managers’ experience and are perceived to be done in the spirit of achieving what is set out within the GTM program. Local subsidiary managers perceive that, with enough experience of the MNE and understanding of its corporate culture, value and norms, they are best positioned to make these amendments. The participants also expressed the view that they felt that they had tacit support for these amendments from HQ level. There is thus a need to consider how feedback from the subsidiary managers to HQ about amendments is undertaken. Being able to incorporate the knowledge gained at subsidiary level further within the GTM program can only improve its overall quality. The participants suggest that the use of software based solutions is suitable for this, since there is a perceived lack of time to attend further meetings or work on reports.

4. Regionalise TM functions within the GTM program
The growing trend of regional solutions to the GTM program is likely to be increasing even further. This is something that should be accounted for within the GTM program. Participants state that they are willing to take on a greater responsibility for the HR functions and the solutions required to handle different situations, for example training and development, compensation and benefits, talent selection and identification internally. Should regional managers be given the financial and organisational budget and authority to develop the regional processes that are needed to support the GTM program, this could further enhance the GTM program and help it reach the intended goals. At present the GTM program tends to assume that there are two levels, HQ and subsidiary, but the participants discussed regional solutions, meaning that the GTM program would do best to assume that there are three levels, HQ, Regional HQ and subsidiary, and plan its strategies, policies and processes accordingly. The differences within the subsidiary levels are too great to warrant the same solutions, for example within Asean. On one hand, there is Singapore where the living standard is almost equal to Scandinavia and where the legislative and educational environment is stable and ranked among the top countries in the world. Next door to Singapore is Indonesia where there is poverty, a lack of basic legal equality and an education system that in many cases fails to reflect the ability of the
individual but instead reflects the individual’s surname. To overcome this, the regional level needs to further adapt the program and tailor it to suit the various contexts within its region. Presently there is little within the programs that explicitly caters to this context variety, and the programs would be enhanced if the distinction was clearly made and governance for this was presented.

5. Construct a training program that provides HQ level employees with a basic understanding of the social and cultural contexts that affect the GTM program. Many of the challenges listed as affecting the GTM programs are contextual and with the right training programs, based on the input and experience of the subsidiary managers, these can be overcome through an understanding and acknowledgement of the specific skills that subsidiary managers possess. At present, there is some frustration among subsidiary managers in relation to the GTM programs. There is a belief that there is a lack of understanding at HQ level of the challenges faced within different contexts and the solutions, and funding, required to overcome these. The ability for subsidiary managers to further educate HQ staff on the specific challenges faced would reduce the frustration and allow HQ staff to better bridge their knowledge gap.

7.5 Potential limitations and future research

This study investigates the perceptions of TM held by Scandinavian subsidiary managers in Asean. Section 1.9 outlines the limitations of the research and this part discusses the limitations of the findings. With this study being conducted with an interpretative phenomenological methodology there is a need to acknowledge the bias that the researcher may bring into the interviews. The researcher’s experience, having worked with GTM programs for 15 years in Asian countries, will influence the interpretation of the lived experiences of the participants. This is acknowledged within the methodological choices (see Chapter 4). The choice of this particular phenomenological approach was deliberate since it allowed the researcher to use his own knowledge within the analysis of the participants’ lived experiences (Conklin, 2007). This forms part of the analytical processes followed. Also, when interviewing people about perceptions and experiences there is a potential risk of bias, as participants may attempt to provide a more positive or negative view about their work. To limit this potential bias, the use of triangulation of data is undertaken and the research is supported by rich data and checked for rigour.
following the process outlined in Chapter 4. The choice of methodology also helps with minimising this risk of bias while allowing the interviewer to bring in his experience into the conversation and analysis (Creswell, 2007; Crotty, 1998; Lichtman, 2006).

This study was conducted using 22 semi-structured interviews and the findings are a snapshot that is only valid for these particular persons and at the time of the interviews (Kvale, 2007). The participants are all in management positions and the findings are thus solely valid for Scandinavian subsidiary managers and it is possible, even likely, that employees of other Scandinavian subsidiaries have different views and perceptions. However, while the findings cannot be generalised beyond the context of this study, there are good reasons to believe that they are representative for Scandinavian subsidiary managers working in Asia.

There is a need, therefore, for further research which applies the findings at HQ level, where questions such as how much local deviation is expected and allowed by the HQ, and how HQ attempts to secure similarities of the GTM program across the MNE to subsidiaries. Enhancing the scope at subsidiary level would also help the topic, for example investigating the same phenomena in different geographical and institutional contexts. This may provide an answer to whether the findings are specific for Asean or applicable in a more general way. Another interesting continuation to the research would be to investigate the perceptions of local subsidiary employees and obtain their perceptions. Such perceptions can then be juxtaposed with those of Scandinavian subsidiary management. Also, further studies over time, longitudinal research, would help to provide greater understanding of the phenomena. Future research would also benefit from an employee perspective to help establish whether employees share the same understanding and perceptions of Scandinavian TM.

As an exploratory study, the goal of this study was to seek greater understanding of the lived realities, in the hope that such understandings could lead to a foundation for more extensive research in the future (Cresswell & Plano-Clark, 2007; Lichtman, 2006). Undertaking research usually raises as many questions as it provides answers. This research has provided some further understanding of a phenomenon of which little is known. The researcher believes that the findings have illuminated the phenomenon under study from a novel perspective, that of the practitioner and within a context that differs from the main body of literature, which adds new empirical data which helps advance
theory and practitioners’ understanding. While the research presented is based on empirical data, the conclusions derived are still to some degree speculative and tentative in nature. It is recommended that future research should focus on testing and validating the findings that originated from this research.

7.6 Summary of the chapter

This chapter started with an introduction that provided a brief context to the study and highlighted some important areas of TM. It then reflected on the usage of GTM programs within Scandinavian MNEs in Asean and the specific perceptions subsidiary managers have. After that, the chapter discussed the implications for theory, focusing on six key findings and how they relate to the present body of TM literature. This was followed by a discussion about five potential implications for practitioners. The chapter then ended with a brief discussion highlighting some key limitations of this study as well as some suggestions for future research.


BCG & EAPM. (2013). Creating People Advantage 2013. Lifting HR Practices to the
next level. https://www.bcgperspectives.com/content/articles/human_resources_organization_design_creating_people_advantage_2013/.


Selecting and developing members for the organization. Washington DC, USA: American Psychological Association.


Appendix I – Research basic info

Basic info

Project title: A qualitative analysis of Global talent management programs within subsidiaries of Scandinavian multinational enterprises.

Researcher: Stefan Quifors

Participant’s name: ............................................................................................................................................

Company: ...................................................................................................................................................

Position (title): ................................................................................................................................................

What’s your nationality? .................................................................................................................................

Do you have decision making authority or responsibility for HR within your company? YES / NO

Time spent working for the company: .................. years

Time in present role: ........................................ years

Time spent working in Asean: .................. years

What geographic area does your office manage? .................................................................

How many employees does your regional organisation employ? ..........................

Does your organisation use a talent management program? YES / NO
### Appendix II – Participating MNE list

<table>
<thead>
<tr>
<th>Code</th>
<th>Main business</th>
<th>CHQ location</th>
<th>Subsidiary location</th>
<th>Regional CHQ</th>
<th>Number of staff</th>
<th>Region covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>I1</td>
<td>Telecom</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>250</td>
<td>Asean, Oceania</td>
</tr>
<tr>
<td>I2</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>200</td>
<td>Asia minus ME, Oceania</td>
</tr>
<tr>
<td>I3</td>
<td>Industrials</td>
<td>Denmark</td>
<td>Singapore</td>
<td>Yes</td>
<td>up to 250</td>
<td>Asean, India and Oceania</td>
</tr>
<tr>
<td>I4</td>
<td>Manufacturing</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>80-100</td>
<td>Asean and Oceania</td>
</tr>
<tr>
<td>I5</td>
<td>Oil &amp; gas</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>1000</td>
<td>Asean and Australia</td>
</tr>
<tr>
<td>I6</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>350</td>
<td>Asia minus ME</td>
</tr>
<tr>
<td>I7</td>
<td>Oil &amp; gas</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>3000-3500</td>
<td>Asia minus ME, Australia</td>
</tr>
<tr>
<td>I8</td>
<td>Consumer goods</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>1200</td>
<td>Asean, Australia, Taiwan</td>
</tr>
<tr>
<td>I9</td>
<td>Maritime industry</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>150</td>
<td>Asean, China, Korea, Japan</td>
</tr>
<tr>
<td>I10</td>
<td>Shipping</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>60</td>
<td>Asean, India, Australia</td>
</tr>
<tr>
<td></td>
<td>Industry Type</td>
<td>Country</td>
<td>Region</td>
<td>Location</td>
<td>Development</td>
<td>Sales</td>
</tr>
<tr>
<td>---</td>
<td>---------------</td>
<td>---------</td>
<td>--------</td>
<td>----------</td>
<td>-------------</td>
<td>-------</td>
</tr>
<tr>
<td>I11</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>1500</td>
<td>Asean, Australia, India</td>
</tr>
<tr>
<td>I12</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>100</td>
<td>Asean</td>
</tr>
<tr>
<td>I14</td>
<td>Pharma</td>
<td>Denmark</td>
<td>Singapore</td>
<td>Yes</td>
<td>600</td>
<td>Asean</td>
</tr>
<tr>
<td>I15</td>
<td>Industrials</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>800</td>
<td>Asean, India, China</td>
</tr>
<tr>
<td>I16</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>1600</td>
<td>Asean, Australia</td>
</tr>
<tr>
<td>I17</td>
<td>Industrials</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>200</td>
<td>Asean</td>
</tr>
<tr>
<td>I18</td>
<td>Consumer goods</td>
<td>Sweden</td>
<td>Malaysia</td>
<td>Yes</td>
<td>3000</td>
<td>Asean</td>
</tr>
<tr>
<td>I19</td>
<td>Shipping</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>150</td>
<td>Asean</td>
</tr>
<tr>
<td>I20</td>
<td>Telecom</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>2000</td>
<td>Asean, HK, Australia</td>
</tr>
<tr>
<td>I21</td>
<td>Consumer goods</td>
<td>Sweden</td>
<td>Singapore</td>
<td>Yes</td>
<td>10000</td>
<td>Asean, Australia, Taiwan</td>
</tr>
<tr>
<td>I22</td>
<td>Heavy industry</td>
<td>Sweden</td>
<td>Malaysia</td>
<td>Yes</td>
<td>600</td>
<td>Asean</td>
</tr>
<tr>
<td>I23</td>
<td>Oil &amp; gas</td>
<td>Norway</td>
<td>Singapore</td>
<td>Yes</td>
<td>600</td>
<td>Asean plus Europe support</td>
</tr>
</tbody>
</table>
Appendix III – Consent form

Consent Form

Project title:  *A qualitative analysis of Global talent management within subsidiaries of Scandinavian multinational enterprises.*

Project Supervisor:  *Prof. Erling Rasmussen*

Researcher:  *Stefan Quiñors*

- I have read and understood the information provided about this research project in the Information Sheet dated 01/03/2015.
- I have had an opportunity to ask questions and to have them answered.
- I understand that notes will be taken during the interviews and that they will also be audio-taped and transcribed.
- I understand that I may withdraw myself or any information that I have provided for this project at any time prior to completion of data collection, without being disadvantaged in any way.
- If I withdraw, I understand that all relevant information including tapes and transcripts, or parts thereof, will be destroyed.
- I agree to take part in this research.
- I wish to receive a copy of the report from the research (please tick one): Yes ☐ No ☐

Participant’s signature: ............................................................................................................

Participant’s name: ................................................................................................................

Date:

*Approved by the Auckland University of Technology Ethics Committee on 16/02/2015. Reference number 14/390.*

*Note: The Participant should retain a copy of this form.*
Tjänare broder!
Stefan Quifors här!
Jag är projektledare för ett forskningsprojekt som syftar till att skapa förståelse för hur svenska företag jobbar med TM i Asien. Du känner säkert igen mitt namn från workshops organiserade utav SBA här i Singapore.
(Jag fick ditt namn av XX och jag förstår att han varit i kontakt med dig angående mitt projekt).

Jag är väldigt intresserad utav att intervjua dig och ta del av din specialistkunskap och dina erfarenheter. Intervjun tar 45–60 minuter och görs face to face, sorry ingen Skype. Vad jag är intresserad utav är dina erfarenheter av TM arbete i Asean, men promise, det är inga företags hemligheter vi kommer dryfta, deltagandet är helt safe.


Mina frågor kommer handla om:
1. Dina åsikter och erfarenheter från TM arbete i Asien.
2. Dina åsikter kring hur man arbetar inom en TM program med rekrytering, kompetensutbildning, employer branding och personalvård.
3. Expatriates.
4. Ett glatt utbyte av HR Anekdoter och upplevelser från Asien.

Jag har attachat en kort bio om mig, om mina supervisors och ett styck Participant information sheet som ger svar på frågor om anonymitet och konfidentialitet.

Jag vet, efter att ha arbetat i Asien under 15 år hur upptagen du är, men jag hoppas likväl att du tar detta tillfället att få förmedla din samlande TM erfarenhet. DU GÖR SKILLNAD.

Tackar för uppmärksamheten!

På återseende!
Stefan

PS, har du några frågor så är detta mitt direktnummer XX-xxxxxxxx
Appendix V – Participant information sheet

Participant Information Sheet

Project Title

_A qualitative analysis of Global talent management programs within subsidiaries of Scandinavian multinational enterprises._

An Invitation

My name is Stefan Quifors and I am currently undertaking this research study as part of a doctor of philosophy. I would like to invite you to participate in my research project. This project aims to explore the perceived effectiveness of talent management within subsidiaries of Scandinavian multinational companies. The outcome of this research will yield useful insights into talent management for the wide International Human Resource Management (IHRM) community and will lead to a better understanding of talent management processes in the future.

Your participation is voluntary. No personal information that can identify you will be collected. There are no conflicts or constraints with your participation; you can withdraw from this study at any time prior to the completion of data collection.

What is the purpose of this research?

The purpose of this research is to investigate global talent management within subsidiaries of Scandinavian multinational companies. It will explore talent development, talent identification and the processes used. The aim is to investigate individuals’ views of the perceived effectiveness of global talent management within subsidiaries of Scandinavian companies. This research’s results are intended to be used for a doctoral thesis and three research publications.

How was I identified and why am I being invited to participate in this research?

Your contact details were obtained either via your embassy’s trade commissioner or through recommendations. You were selected because of your role and position in your company. It is necessary that you in your role have working knowledge of your company’s talent management practices and that you have had interaction with local subsidiary staff. Your participation is completely voluntary.

What will happen in this research?

You will be interviewed and the interview will be recorded and analysed by the researcher. The results will be in the form of a thesis and three publications in
academic journals. No organisation or participant will be named, identified or mentioned in the written output.

What are the discomforts and risks?

There are no foreseeable discomforts or risks in this process. Your participation will involve an interview lasting approximately 45-60 minutes. You can pause/stop the interview at any time. You will also be given an opportunity to view and comment on the interview transcript.

How will these discomforts and risks be alleviated?

Your confidentiality is assured. You can withdraw from this study at any time during data collection. If you choose to do so all data pertaining to your participation will be destroyed. If you are uncomfortable, doubtful or adverse to any question you may choose not to answer it.

What are the benefits?

This research will contribute to better understand how talent management, talent identification and human capital management and development function at Scandinavian multinational companies’ subsidiaries.

How will my privacy be protected?

Your privacy and confidentiality will be protected at all times. The information gathered from you as a participant will only be accessible to the researcher and his supervisor and not be used for any other purposes apart from the thesis. All information will be de-identified, removing any information that could lead to it identifying you or your employer. An unidentifiable code will be used instead of your name, this to ensure that your personal data remains confidential at all times. The name of your employer will not be in any way linked to your answers.

What are the costs of participating in this research?

The interviews will to take approximately 45-60 minutes of your time.

Whom do I contact for further information about this research?

Researcher Contact Details:

Name: Stefan Quifors
Email: Stefan.Quifors@aut.ac.nz
Phone +64 22 5009969

Approved by the Auckland University of Technology Ethics Committee on 16/02/2015, AUTEC Reference number 14/390.
Appendix VI – Research instrument

I. Tell me about yourself, where you work, your background and how long you have been in Asia?

II. Can you describe your local organisation for me, size, geographical footprint, main tasks and challenges? Changes to it over time?

III. Can you tell me about your experiences with GTM programs, how do you find them?

IV. How do you work with TM and what are the main processes and tools you use?

V. What are your thoughts about using Global TM programs in Asean? Are there any specific challenges you face when using them here?

VI. Do you adapt the TM program to reflect local contexts and individual characteristics? Why / Why not?

VII. Do local subsidiaries have authority to amend the talent management program?

VIII. Do you think your company’s country of origin influences the design of your talent management program? If so, how?

IX. How do you identify local talent? What are the tools used and thoughts around identification? Any specific Asean processes or thoughts?

X. Who selects talent and how is this done? Any specific Asean processes or thoughts?

XI. How do you develop talent? What tools are used and who controls the budgets?

XII. How do you / and the GTM program assess local talent? Are the development paths influenced by the location of the subsidiary?

XIII. What perceived difficulties do Scandinavian MNEs in Asean face when they develop talent?

XIV. Do you intend to localise management? Either to eventually replace yourself and or other senior management?

XV. What is the attitude among different stakeholders (for example customers, local employees, expatriates and CHQ) to localisation of management?

XVI. What is a talent for you? Any skills or characteristics that are noticeable? Anything specific for Asean?

XVII. Who and what is a talent in your organisation?

XVIII. What characteristics does Asean talent possess?

XIX. Do you find Asean talent similar to Scandinavian talent? If no, what differs?
Appendix VII – Ethics approval

AUTEC SECRETARIAT

16 February 2015

Erling Rasmussen
Faculty of Business and Law

Dear Erling

Re Ethics Application: 14/390 A qualitative analysis of global talent management programs within subsidiaries of Scandinavian multinational enterprises.

Thank you for providing evidence as requested, which satisfies the points raised by the Auckland University of Technology Ethics Committee (AUTEC).

Your ethics application has been approved for three years until 16 February 2018.

As part of the ethics approval process, you are required to submit the following to AUTEC:

- A brief annual progress report using form EA2, which is available online through http://www.aut.ac.nz/researchethics. When necessary this form may also be used to request an extension of the approval at least one month prior to its expiry on 16 February 2018;
- A brief report on the status of the project using form EA3, which is available online through http://www.aut.ac.nz/researchethics. This report is to be submitted either when the approval expires on 16 February 2018 or on completion of the project.

It is a condition of approval that AUTEC is notified of any adverse events or if the research does not commence.

AUTEC approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

AUTEC grants ethical approval only. If you require management approval from an institution or organisation for your research, then you will need to obtain this. If your research is undertaken within a jurisdiction outside New Zealand, you will need to make the arrangements necessary to meet the legal and ethical requirements that apply there.

To enable us to provide you with efficient service, please use the application number and study title in all correspondence with us. If you have any enquiries about this application, or anything else, please do contact us at ethics@aut.ac.nz.

All the very best with your research,

Kate O’Connor
Executive Secretary
Auckland University of Technology Ethics Committee
Cc: Stefan Quifors