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Talent Management in a Collectivistic and Egalitarian Context – The Swedish Case

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ABSTRACT

Talent Management (TM) is currently on top of the HR agenda of managers all over the world. Still, TM research and writing has to a large extent been focused on multinational, US-based firms. Recent research has identified a need for empirical research on TM in other national and cultural contexts. The current study focuses on TM practices in the Swedish context which is characterized by collectivistic and egalitarian values at odds with the individualistic and elitist values of TM. Based on a study of 16 organizations, three approaches to TM are identified – a Humanistic approach, a Competitive approach and an Entrepreneurial approach. The three approaches are described and discussed in relation to the organizational and cultural context in which they were identified. Hereby, the paper contributes to a more context-specific understanding of TM, which has been called for in previous research.

Keywords: Talent Management, HR strategy, Culture

INTRODUCTION

Talent Management (TM) has received an increasing interest during the past two decades, following the continued shift towards knowledge-based economies and the intensified global competition for leadership and specialist competencies (Schuler, Jackson, & Tarique, 2011). The global financial crisis and the economic slowdown have not put a damper on this development. On the contrary, many contend that talent issues have become even more pressing, arguing that an organization's ability to counter the downturn and create long-term success is critically dependent on the competencies, motivation and performance of its employees (McDonnell, 2011). Despite high unemployment rates in many countries, many organizations are facing talent shortages and finding it difficult to identify and manage the employees that they need (Cappelli, 2008).

Despite the strategic importance placed on TM, research in this area remains relatively scarce. Both normative guidelines (e.g. Stahl et al., 2011) and more theoretically advanced conceptualizations (e.g. Schuler et al., 2011; Tarique & Schuler, 2010) have begun to emerge, but a recent,

comprehensive review shows that empirical studies still are few (Thunnissen, Boselie, & Fruytier, 2013). The studies that have been carried out tend to build on descriptive statistics, and most study MNE's in the US context. This has resulted in a call for qualitative empirical studies that shed light on the way in which TM is carried out in organizations in different contexts (McDonnell, 2011; Tarique & Schuler, 2010; Thunnissen et al., 2013).

To address this need, this paper focuses on TM in the Swedish context. In recent years, TM has been identified by Swedish business executives and HR directors alike as a key strategic issue (Jensen, Casserlöv, & Dahllöv, 2011). The term "Talent Management" is increasingly used, and several consultancies focusing on TM have emerged and grown. However, the overall development of TM is at an early stage. The Swedish context is particularly interesting as Swedish culture, being characterized by collectivistic and egalitarian values (Holmberg & Åkerblom, 2012) may be argued to be in conflict with the highly individualistic and elitist value underlying original TM approaches (e.g. Michaels, Handfield-Jones, & Axelrod, 2001). The current study thus also contributes to a more culture-sensitive understanding of the talent concept, which Meyers, van Woerkom, & Dries (2013) and others have called for.

The aim of the study presented here is to empirically explore how TM processes and practices are carried out in a number of organizations based in Sweden. This means that rather than formulating an a priori definition of TM, we intend to investigate how the studied organizations themselves define and describe TM and the processes and practices involved therein. Our consequently broad working definition of TM is that it concerns system-level approaches for identifying, developing and retaining employees that are considered important for organizational performance. As this definition indicates, focus lies not on separate HR practices but on the system of practices. As we will see, which employees were encompassed by TM varied in the studied organizations.

The paper is organized as follows. In the next section we will briefly review previous research on TM and from this derive a framework for studying TM that will provide a structure for the empirical investigation. Following this, we present the methodology underlying the study as well as the specific Swedish context as this provides an important backdrop for understanding the observed practices. In the empirical part of the paper, we identify and describe three approaches to TM identified among the 16 organizations studied. These are discussed and compared in a final discussion and conclusions section.

TALENT MANAGEMENT: THEORETICAL BACKGROUND

Previous research

Although the term “Talent Management” has been used by organizations and consultants at least since the 1990’s, TM did not emerge as a more focused field of scientific inquiry until recently. In one of the first reviews of the field, Lewis & Heckman (2006) describe the TM literature as unsystematic, theoretically under-developed and mainly supported by anecdotal evidence. They identify three different perspectives on TM prevalent in the literature. In the first, TM is equated with a collection of traditional HR practices and specialist areas such as selection, development and retention. The second focuses on the development of talent pools and essentially defines TM as succession planning. According to the third perspective, TM concerns the management of employee performance and either takes an inclusive view and encompasses all employees, or takes an exclusive view and focuses on a select group of so-called “A-players”. The authors find all three perspectives theoretically under-developed and also point to the lack of empirical research.

Since then, two main avenues have been taken to theoretically advance the field and lay the ground for rigorous research (Thunnissen et al., 2013). The first builds on the Strategic Human Resource Management literature and promotes research that explicitly links talent to strategy and discusses how TM contributes to organizational performance. For example, Collings & Mellahi (2009) argue that TM should focus on identification of key positions that have the potential to drive the organization’s competitive advantage rather than the identification of talented individuals per se. They thus develop a three-part definition of TM which includes “activities and processes that involve the systematic identification of key positions which differentially contribute to the organization’s sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, 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” (Collings & Mellahi, 2009: 304).

The second avenue has been to build on the International Human Resource Management (IHRM) literature and focus empirically on TM in multinationals. For example, Tarique & Schuler (2010) develop an integrative framework for Global Talent Management (GTM) that conceptualizes exogenous and endogenous drivers of GTM challenges, IHRM activities deployed to meet these challenges and GTM effectiveness. Building on this work, Schuler et al. (2011) identify a number of global talent challenges and how they may be met through different international HRM practices.

A third, less developed and less cohesive stream of research builds on Organizational Behavior and for example links TM to career development (Dries & Pepermans, 2008) or uses the concept of

psychological contract to examine how TM may influence employee attitudes and behaviors (Höglund, 2012).

In sum, TM research has moved through a number of phases. Early publications typically presented “best practices” based on anecdotal findings and were highly normative in orientation. In the next phase, conceptual publications emerged as theoretical inspiration was sought from the strategic HRM literature and the literature on international HRM. While this considerably developed the field’s theoretical foundation, it also revealed the paucity of empirical studies in general and studies that are sensitive to and discuss TM in different contexts in specific (Iles, Preece, & Chuai, 2010).

Currently, we know little about how TM is manifested in organizational practice in different kinds of organizations and contexts. The empirical studies that have been carried out tend to build on descriptive statistics (e.g. McDonnell, Lamare, Gunnigle, & Lavelle, 2010), and with only a few exceptions (e.g. Festing, Schäfer, & Scullion, 2013; Valverde, Scullion, & Ryan, 2013) they study MNE’s in the US context. Thus, there is a need for qualitative empirical studies on how TM is carried out, not least in European contexts, (Collings, Scullion, & Vaiman, 2011; McDonnell, 2011; Tarique & Schuler, 2010).

Framework for studying Talent Management

The aim of the current study is to empirically explore how TM processes and practices are carried out in organizations based in Sweden. As proposed by Meyers et al (2013), TM may be characterized both in terms of underlying assumptions regarding the nature of talent and in terms of practices carried out to identify, develop and retain talent.

Assumptions regarding the *nature of talent* vary widely in the TM literature. Dries (2013) identifies five tensions in how talent is viewed and conceptualized. The first concerns what or who is regarded as talent and thus to be managed – is it the talented person or the specific characteristics of talented persons? Second, the literature takes different positions on the prevalence of talent in the population. In the inclusive view, all employees are considered important and thus included in TM (Buckingham & Vosburgh, 2001). In the exclusive definition, in contrast, a select group of employees may be considered important either because they occupy pivotal roles that drive the organization’s competitive advantage and are hard to replace (Ashton & Morton, 2005; Collings & Mellahi, 2009), or because they are so-called “A-players” that perform at a significantly higher level than their peers in their current roles and are considered having the potential to perform well in new roles in the future (Michaels et al., 2001; Smart, 2005). This relates to the third tension which is concerned with whether talent is innate, as reflected in the stratification of employees into A, B and C players (Michaels et al, 2001), or whether it is regarded as acquired, i.e. possible to learn through e.g.

training and development. Fourth, the literature differs regarding whether talent is seen to be more about ability or more about motivation and thus whether the focus in identifying talent should be on input in terms of effort, ambition and career orientation or on output in terms of performance, achievements and results. The fifth tension, finally, relates to the question whether talent is transferable or context dependent. Is talent specific to a particular organization as argued by e.g. Groysberg and colleagues (Groysberg, Lee, & Nanda, 2008; Groysberg, Nanda, & Nohria, 2004) or is it generic and thus easily transferable across organizations?

Different positions in relation to these tensions in the view on talent have in earlier research been suggested to be related to different kinds of TM practices (Dries, 2013; Meyers et al 2013). In discussing these practices we will rely on the four aspects of TM proposed by Dries and Pepermans (2008): identification of talent, training and development, succession planning and retention management.

The first aspect is concerned with how organizations go about *identifying talent*. Practices may vary along a number of dimensions. For example, identification practices may be highly structured and rely largely on measurement of formal criteria, or they may be more loosely structured and rely mainly on the assessors' holistic impressions (Dries, 2013). Another difference is timing (McDonnell, 2011) – at what point in time in their career are talents identified? A third difference is whether identification practices are perceived as objective, and the importance ascribed to objectivity as a goal for the assessment process may further vary significantly.

A second aspect of TM is concerned with *training and development*. What activities are put in place in order to grow and develop talent and at whom are these activities targeted? Practices in this area may e.g. differ in relation to the extent that formal training vs. on the job training is applied. Development activities may also be more or less open to the employees, and selection procedures to programs may differ.

A third aspect of TM concerns *succession planning*. This may vary in terms of e.g. the formalization of the process, the structure of the career paths and the extent to which responsibility for career advancement is taken on by the organization as opposed to the individual. As Dries & Pepermans (2008) point out, the traditional view on careers as vertical mobility has been questioned and career paths have been loosened up.

Retention management, finally, concerns the different measures taken by organizations to protect their investments in talent. Such practices may include workforce segmentation in order to identify the particularly important employees and offer them e.g. participation in decision making, managing their expectations on career advancement and their career paths.

In addition to these four aspects of TM we will also discuss the organizational positioning and structuring of the TM activities and especially the level of *centralization* of the TM system as a whole (McDonnell et al., 2010). Are TM practices as defined by the HR function performed in the same way throughout the organization, or are these practices adapted to the different local circumstances throughout the organization?

METHODOLOGY

An explorative research approach was adopted, due to the lack of prior qualitative studies in this area and the fact that the topic of interest was contextually bound. In order to investigate the meaning and practice of TM in Swedish organizations today, interviews were conducted in 16 organizations and five consultancy firms specialized in TM. The organizations included in the study were diverse in terms of industry, background, size, degree of globalization, and culture, (see table 1) which was a conscious choice with the aim of attaining a broad picture of the use of TM in Sweden today. Most participants were recruited from the authors' and their institutions networks. This sample was complemented by additional organizations to fill obvious gaps (such as organizations in the public sector). All participants were informed about the conditions of participation, including confidentiality, and informed consent was negotiated.

A total of 34 interviews were conducted (see table 1); 29 with organizations engaged in TM (in 6 of the organizations more than one interview was conducted) and 5 with consultancy firms. The interviewees were mainly persons in leading positions in HR or executive management. The majority of interviews were conducted at the interviewee's workplace, with a few exceptions where the interviews were held in the university's premises. Most were conducted by two interviewers. In some cases there were two interviewees, but in most interviews there was only one.

The interviews were between 50 and 80 minutes long, and a certain number of basic questions, following the framework outlined above, were always asked. The interviewees were asked to first describe the organizational structure and their own role, to gain a background understanding. Questions about talent and TM were then asked, beginning with broad ones and subsequently narrowing down. Follow-up questions were customized according to the interviewee's answers. A certain question could be given more or less time depending of the centrality of the issue in the particular organization.

Interviews were recorded, transcribed and analyzed to identify patterns in the organizations' approaches to TM. Through the detailed and repeated reading of the transcripts, three distinct approaches to TM were identified. These will be presented and illustrated in detail below.

Organization	Industry	No. of Employees	No. of Countries where Present	No of interviews
A	Hotels	3 700	10	1
B	Food and Drug retailing	7 300	1	1
C	Automobiles and Components	1 600	130	1
D	Banks	18 900	20	3
E	Commercial and Professional Services	15 000	35	1
F	Industrial Tools	39 800	170	6
G	Banks	1 100	4	1
H	IT Services	6 600	7	1
I	Construction and Engineering	18 200	8	1
J	Automobiles and Components	40 000	100	3
K	Telecommunications Equipment and Services	109 200	180	1
L	Materials (steel)	9 000	45	3
M	Aerospace and Defense	13 000	20	2
N	Public Management	37 000	1	1
O	Paper and Forest Products	28 000	40	2
P	Public management	5 300	1	1

Table 1. Characteristics of the organizations that were included in the study. Each organization is denominated with a letter for purpose of confidentiality.

THE SWEDISH CONTEXT

While TM has become an unquestioned item on the HR agenda of most large organizations, recent studies have increasingly pointed at the US-based, ethnocentric conceptualization of TM on the one hand and the differences in how it is practiced in other cultural contexts on the other hand (Festing et al., 2013; Skuza, Scullion, & McDonnell, 2012; Stahl et al., 2012; Valverde et al., 2013). Especially pertinent is the tension between the highly individualistic and elitist aspects of TM and cultures that

cherish more collectivist and egalitarian values. While an important idea in TM is the identification and development of a few talents, this idea challenges central values in collectivist cultures where the broad development of employees and their respective strengths is important (Valverde et al., 2013).

The Swedish cultural context may be described as collectively rather than individualistically oriented. The Swedish economic model is often described as balancing capitalism and socialism, with a strong focus on creating a society in which economic as well as social differences between people are limited and all are given equal conditions and opportunities. This general orientation is reflected in a consensus-based management style, in which egalitarianism, equality and timidity are central values (Holmberg & Åkerblom, 2012). Isaksson (2008) describes Swedish management style in terms of the following characteristics: meritocratic, autonomous, anti-hierarchical, team oriented, non-confrontational, conflict avoidant, action oriented and reluctant to glorify star performers. The last characteristic is particularly important in relation to TM. A strong value in Swedish society, as well as in Swedish organizations, is a reluctance to stand out and a suspicion towards people that seek star status (see also Holmberg & Åkerblom, 2012).

These collectively oriented values are also reflected in the Swedish labor legislation, which places responsibility on employers to continuously develop the workforce and does not allow organizations to terminate employees solely on the basis of poor performance. Even the most orthodox proponents of TM, represented by specialized TM consultants, thus see a need to adapt the basic ideas of TM to the Swedish context. Although they generally promote a rather exclusive version of TM this is far from the exclusive, elitist, forced-ranking practices common in US-based MNCs (Stahl et al., 2007).

There are two different definitions of Talent Management. In one, you identify your classic high potentials. You identify your talents, “you’re good, you’re a talent”, and then you work with your talents [...] you think in terms of “talents” and “non-talents”. When we talk about Talent Management we say that everyone has talent. [...] Everyone has talent, you just have to put each person in the right place and stimulate and develop the person in the right way to see what that talent is. So when we work with Talent Management, we target all of the organization’s employees, not just the small clique of high potentials but rather all employees in the business.

Talent Management consultant

THREE APPROACHES TO TALENT MANAGEMENT IN THE SWEDISH CONTEXT

Three approaches to TM emerged through the analysis of the interviews with organizations in Sweden engaged in TM. The Humanistic, Competitive and Entrepreneurial approaches to TM are described below.

The Humanistic approach

The Humanistic approach to TM is based on an inclusive *view on talent*. The firm opinion of interviewees representing this approach was that everyone has some kind of talent, and that all employees accordingly are to be viewed as talented. Consequently, all kinds of high achievements among employees could qualify as talent, with no direct relation between talent and career mobility:

We have a rather large number of employees and managers that should not advance further but that still are darned good. They also have talent, and they show solid performance.

Company A

Rather than focusing on identifying and developing a few talented individuals, the Humanistic approach to TM focused on the broad employee base and its “talent”. The potential in this was regarded as by far exceeding the contribution of a number of select “top” talents:

By now we are pretty good at taking care of high potentials. Definitely better than our competitors. But those activities only encompass 5-10 percent of our employees. What do we do with the 80 percent? If we make all of them better, that's when things start to happen. But that's the hard part, it's easy to develop the talents. But the large mass, how do we make them a little better?

Company A

The Humanistic approach also seemed to include an antipathy towards the term “talent” – a common statement in the interviews was “we don’t use that word around here”:

We tend not to use the word talent here at Company J. You might have noticed this already. Don't get me wrong, we have talents. But we try to stay clear of the concept Talent Management.

Company J

I feel that it's a difficult concept. It's a trendy word. [...] I think that if we were to start [using the term talent], it would confuse the organization a bit.

Company G

With the inclusive, anti-elitist view on talent also came a certain suspicion towards abstract TM terms in general and formal models depicting talent as something well-defined and innate in specific. There was an ambition to keep TM as concrete and simple as possible and related to each employee's ability to develop:

We have good old performance reviews where we talk about "How are you doing?" and "How would you like to develop?". We try to stay very down to earth. We stay away from HR mumbo-jumbo, because most of our employees don't get that kind of talk. But they can engage with "How would you like to develop?".

Company A

In line with the inclusive, broad and development-oriented view on talent, the Humanistic approach puts the organization as responsible for *identifying talent* in the good accomplishments achieved by employees. Quantifications of performance were sometimes, but not always, used to identify particularly high-performing individuals. The talent identification process was often rather informal and based on conversations between strategic HR professionals and line managers. A certain ambivalence in relation to the active identification of talent could be discerned in the interviews. Interviewees expressed an awareness of the need for active talent identification, but also a simultaneous reluctance to discriminate between employees and advance some over others:

The greater mass of those who work for us is a collective. We are not an elite organization, we're not a private equity bank. We want to create the feeling that we're accomplishing things together. At the same time, we have to take care of [the elite] so that they stay and develop. And it's possible to do both. You just have to be a bit clever.

Company B

The large performance potential was also seen as residing in the broad employee base rather than in a few top performers:

These [TM] tools are all about surfacing the talent that's already there in the mass. The sum of the talent in that group is as large as that in the elite group. No doubt about it.

Company A

There was also certain skepticism against deciding who to develop based on clearly and narrowly defined assessment criteria. This usually had to do with an egalitarian or anti-elitist stance, which

made unacceptable any selection that could imply adverse impact on certain groups. Consequently, selection was seldom based solely on quantitative performance indicators:

Assessment [such as psychometric tests and assessment centers] is something that suits some people, but not others. [...] The older you are when you go through assessment, the harder it usually is. It's also harder for those that don't have an academic background. And this varies a lot among our managers, so there are people who don't do very well in the assessment but that become really brilliant hotel directors. And there are people who do very well in assessment that shouldn't be doing more than price optimization. So you can't trust assessment too much. It's one selection method among many others and like all other methods it's not 100% foolproof. There's an error margin and we have to be able to handle that. So we have an individual program for those who don't pass the assessment. Because they're still among our best managers. If we weren't willing to develop them, it would be really strange.

Company A

Talent development in the Humanistic approach entails offering all employees opportunities to develop in their work. Organizations adopting this approach did not equate development with vertical promotion – partly because of their often flat organizational structure, partly because of a prevalent opinion that there is often a large development span within one's current role. Some interviewees also saw a risk in making vertical promotion an option for high-performing employees, since it could create expectations that would be difficult to fulfill:

If you're darned good but don't want to climb the corporate ladder, why don't you switch jobs with someone else for two or three weeks? You'll come back to your own hotel with some great learning. [...] Go to Borlänge and contribute with what you know in their reception. And you'll bring something back. So we can really stimulate them in a lot of different ways.

Company A

If we expose these people a lot they might start expecting to advance, even though there are quite few opportunities to do so. We need to be careful if we are to keep them. They can develop through participating in projects and so on, but they can't all advance to top positions.

Company B

However, organizations adopting the Humanistic approach still often had some version of a leadership development program for promising managers, and the criteria for admission to these

programs were often set quite high. Nevertheless, these programs still differed significantly from the ones employed in the organizations applying a Competitive approach to TM which will be discussed in the next section. For example, higher academic education was seldom an important merit in selection to the programs, whilst experience from simpler jobs in the organization was a major advantage – if not a prerequisite. In addition, the communication and discourse surrounding these programs did not mention terms such as "talent". Instead, they focused on the position(s) for which the programs were to prepare their participants:

When I took this position [as Head of Talent Management] I went to a lot of seminars on Talent Management to learn what it's all about, and I kept thinking "I wonder how this fits with what we're doing?". And then I realized – we have a talent program! I just hadn't thought of it in that way. We have a trainee program for store managers. [...] It's quite funny, we just don't use that word [talent] around here.

Company B

Nevertheless, interviewees were well aware of the TM ideal often proclaimed by consultancy agencies and in the HR literature, where highly structured processes are a core feature. Interviewees often seemed to be pondering how to incorporate the benefits of this ideal but at the same time avoid a collision with their organizational culture:

We could create a system for this, we could require that all managers fill out forms, we could tie it to goals and performance, but we're simply not at that stage in our development yet. I think we feel that we have to get used to this way of thinking first.

Company B

With time we will probably become more structured in terms of methods for identifying and developing talent. [...] We will become better at identifying who they are and where they are, and we will also become better at actually discussing with them about it. [...] I intend to devote myself to these talent issues now and create a focus on them in the organization, but we will approach them in a Company J way. That is, we won't spotlight a group of talents as management's favorites and separate them from the rest. That's not in line with our people perspective.

Company J

In their work with *succession planning and retention management* organizations applying the Humanistic approach did not make use of well-structured career paths as the organizations were

often rather flat. However, they seemed to regard certain positions as typical "talent spots" (e.g. hotel manager, store manager). These were also the positions for which there were special development programs for high-performing employees. However, there were multiple ways to reach these positions – and move on from there – depending on the employees' background and preferences:

You create your own career path, depending on who you are, what profile you have, what competencies you have and so on. So there are more doors open than closed. [...] If you come to me and ask "What does the career structure look like?" you won't get it clearly drawn up.

Company A

These organizations were all in agreement about the importance of starting your career "on the floor". This reflects a traditional Swedish ideal of not allowing any free rides: Regardless of your resources, you must start from the bottom and work your way up. Thus, almost all careers within these organizations were designed to start with a relatively simple job as e.g. cashier, cleaner or assisting receptionist. Usually, trainee and leadership programs within these organizations were only open to those who had a background in such a simpler job:

We're approached by quite a few students that sort of challenge us and ask "So where's your trainee program?". And we answer that it starts when you start your studies, meaning that if you're sufficiently ambitious to start working part-time here during your studies, then that's your trainee program. You will be familiar with our entire business in three years' time. But we won't pay you a year's salary to do it. 25% of our jobs are part-time. And through these jobs you can learn all there is to know about our operations – if you want to. If you don't want to, but want a fast track after your studies, well that's not how we do things.

Company A

I hear wonderful stories! About people who have started from the bottom and worked their way up. I think it's great that we can offer that opportunity.

Company B

In line with the reluctance to explicitly use the term "talent", the *structure and organizational position* of TM processes was only semi-formalized. The predilection for flat structures and delegation in organizations representing the Humanistic approach was reflected in the TM practices. A substantial part of TM work was done locally by e.g. line managers. At the same time, interviewees

were well aware of the advantages of centralization. This was another feature of the duality expressed in relation to the highly structured American ideal for TM:

Sometimes we have people coming in from American or Swiss companies saying: "Oh God, you don't do any managing at all!" But I... There is a lot of gaining approval and consensus, so it takes longer. Maybe we're right in the middle of that journey. I think we need to do a little more of top-down managing than we do today, but at the same time there are so many benefits to not doing that. Sub optimization is bad but gaining support from the organization is good.

Company B

It's up to the next manager to make this judgment [whether you want to introduce criteria for talent definition]. You can have one goal working in Northern Sweden and another goal working in Stockholm. And that has to be up to the regional director to decide: "These are the demands that I find reasonable". That's an individual issue.

Company G

On the same note, the Humanistic approach was less likely than the more Competitive approach to employ a structured and central TM model. They did have structures for evaluating employee performance, e.g. annual staff appraisals and performance reviews, but spotlighting certain employees as talents was rarely a purpose. Rather, these processes aimed at making sure that every employee was attended to:

We have good old performance reviews where we talk about "How are you doing?" and "How would you like to develop?" [...] And it's perfectly fine to answer "I would like to remain where I am today".

Company A

[...] Because if you introduce performance issues the wrong way, it could affect the quality of feedback. If you have a development discussion and that comes to include some sort of evaluation, it could affect the discussion. We absolutely can't have that.

Company B

The Competitive approach

The second approach to TM identified was termed the Competitive approach because of its focus in both identifying and managing talent on exceptional performance. Compared to the Humanistic approach, this involved a *view on talent* that was more exclusive and more linked to specific traits: Only some employees were seen as talents, and their talent was perceived as something that set them apart from their coworkers. This view on talent involves the assumption that talent differs in both quantity and quality between individuals, and that these differences are meaningful and important to attend to.

Among organizations adopting this exclusive view, there seemed to be two different perspectives with regard to the constancy of talent. Most expressed a view on talent as innate and universal, where talent is perceived as a stable inner trait that follows the individual regardless of her position:

It's some kind of mixture of technical competence and, shall we say, strategic competence. You know a talent when you see one!

Company C

Some, however, viewed talent as temporary, consisting of a transitory state of being ready for more advanced work tasks or more responsibility in the organization. Once the individual advanced to a level compatible with his or her current ability, the talent term was no longer applicable:

To us, talents are people who should be moving, who have the ability to take on more complex missions. [...] For example, we have employees that are performing really well but that shouldn't move up. These employees are incredibly valuable to our business [...] but we don't regard them as talents.

Company D

The Competitive approach implicates a view on *talent identification* as an ideally objective process, following a formal and highly elaborated assessment model. Quantification and/or categorization of individuals are part of the process in order to guarantee a transparent and comparable assessment. One common identification process was to use a grid consisting of the two axes *Performance* and *Potential*, constituting a square space that was sectioned into nine parts, each representing a certain combination of performance and potential. Managers would categorize their employees using this grid, and the judgment would then be adjusted in a calibration process in which managers met to discuss their categorizations of employees in order to ensure that assessment criteria were applied similarly across managers.

Interviewees were rather unanimous in their view that an objective process of talent identification should be attainable, if only the assessment methods were made exact enough. To achieve this, it would be necessary to eradicate or at least minimize the sources of error that come with human judgment. By repeating the calibration process year after year, the sources of error would diminish and hence objectivity would increase:

In practice this means that each manager rates the employee on a scale from one to four. Then we calibrate the assessments in the management team, and I think it works well. If we didn't have a calibration procedure I would feel we were being too subjective. All managers have their own ways of assessing performance and their own ways of setting goals, and that's why we want to discuss the results in the management team, so that all of us can give input on each employee and compare the employees. It makes the process as objective as a subjective process can get.

Company D

The general stance of organizations with a Competitive approach was that it was the organization's responsibility to *develop talent*. There seemed to be a social contract between employer and employee, stating that if the employee continued to exert his or her talent within the current position, the organization would provide appropriate personal and professional development in a timely fashion. Talent development initiatives were offered based on the assumption that development opportunities, offered at the right time, are central to keeping key talent:

I would say that the responsibility for the individual's development lies on the individual and his or her manager. [...] When it comes to talents we know that it's important enough to develop them that we should calibrate in the management team as well. So that all of us together decide who's nominated to our leadership program. We spend quite a lot of time on nominations to our different programs.

Company D

If we've selected someone and taken the decision that this person should be given a larger challenge within a year, which is one of the selection criteria that we use, then it of course becomes really important to decide... ok, what needs to be done? In most cases, it's not a matter of getting them to attend a program but rather we need to give them a broader assignment. And it's the manager's responsibility to, together with HR, make sure this happens. [...] And it should be... it's what we promise everyone who takes employment here, that they will get this opportunity.

In many of these organizations, talent development included – or equated – training of broad leadership and management skills. An important part of talent development was getting acquainted with the different areas of operation in the organization:

We build central networks, because we want these people to move around for the sake of experience, which is something we think is necessary to work in the top management of this company.

Company D

As indicated by the above quote, *succession planning and retention management* built on an organizational idea of what experience, knowledge and skills talents needed to climb the ranks, and the organizations accepted at least part of the responsibility for finding suitable career paths for their talents:

The development that we provide mainly takes place when there are new available positions. [...] Then we distinguish our talents and try to see if any of them could take on that role. Should we encourage someone to apply?

Company C

Usually, a career for a talent entailed successive vertical promotion, the individual advancing to increasingly more complex leader roles. Of course, not all talents would advance equally far: The conception was that each individual would in time reach the level in the hierarchy that fully taxed his or her ability, and thus he or she would then not be able to advance any further. The possibilities of horizontal movement, and development within the current role, would then still be open, but the person would no longer be viewed as a talent:

In our career ladders there are very clear steps defining the knowledge and the experience that is required for them. But of course, a vast number stop at a certain point along the ladder. And my job is to look for those that can make it to the top of the ladder. The others, alright, we handle them.

Company E

The career design for talents was often tightly knit to the strategic succession planning and leader pipeline mentioned above – a certain group of talented individuals could be appointed to be trained for a certain function where the organization lacked competence for the future:

We are supposed to stock constantly from the bottom. We can say that [...] "here there's a gap right now". We have no people on their way to joining the management teams. Then that's where we need to recruit. So it [the leadership pipeline] can be used that way as well. We can see where the gaps are.

Company C

Part of the Competitive approach was also a view that clearly outlined career paths and continued mobility were prerequisites to keep talented employees interested and motivated:

[...] a very clear developmental plan [is important], because otherwise, we lose them. At least that's what it has looked like up until now; if you don't think you've experienced enough development you're fast to leave.

Company L

The level of *formalization and organizational positioning* of TM activities in the Competitive approach was generally characterized by strong central structures and processes. Often, the process mimicked a generic model of TM, promoted by e.g. some of the influential consultancy firms. TM was almost always tied to the business development plan and the strategic goals of the organization. Many of the interviewees mentioned a goal of aligning all strategic HR processes centrally. There was normally a central succession planning process, tied to a leadership pipeline that was continuously scrutinized to discover potential shortages:

Everything originates in our business plan, because according to me you can't be a talent without knowing what to work towards.

Company D

It's a great advantage being able to share knowledge about our talents between business areas and divisions. Since we want to attain mobility between both countries and divisions.

Company D

The Entrepreneurial approach

The third and last approach to TM identified was termed the Entrepreneurial approach.

Organizations representing this approach seemed to hold a *view on talent* that was rather inclusive and pragmatic. An employee would be defined as a talent if he or she proved him/herself to be one, through his or her ambition and performance. This emphasizes the importance of motivation and

ambition over mere ability. Seeking new challenges is viewed as more important than any specific skills or past performance:

I would just like to state strongly that I don't believe in picking people out and saying; "you're a talent and you're a talent and you're a talent and we're going to invest in you, so let's get to it." No, I don't believe in that. I think it's better to let people in and let them show for themselves that they actually deserve to be invested in, partly by applying for different challenges, partly by moving somewhere, and partly by taking initiative.

Company F

In contrast to the Humanistic and the Competitive approaches, this approach ascribes a lot less responsibility for *talent identification* to the organization. According to the Entrepreneurial approach, talented employees have a responsibility to identify themselves. The opinion seemed to be that an employee with talent sooner or later would step forward and ask for more challenging tasks. When this occurs, the organization supports the employee by providing a suitable project for the person to take on. Formal identification processes, including categorizations or quantifications, were rarely used in these organizations:

We believe that we have lots of talents. It's just that if the talents get the right motivational power, good managers, the right challenges, a sufficient number of different jobs, and life experience, then there are great many who have the potential.

Company F

In line with the view that talents would identify themselves, the main role for *talent development* was to provide employees with opportunities to develop and identify themselves as talents;

I think competence development is a human right. It is a right for everybody. Also in a company. So that means also I should provide people the possibilities to do that.

Company F

An important opportunity to show and develop talent in the Entrepreneurial TM approach was to provide ambitious employees with successively more challenging projects. An employee would be considered a talent if he or she stepped forward and claimed more responsibility, and managed to succeed in the project given to him or her. The next step for such an employee would be to take on an even more complex project, perhaps within a new business area. There was little systematic planning in talent development, rather it was decided ad-hoc which project might constitute a suitable next step for a certain talented employee:

It's all about on the job training. They [Company F] have a very blunt view on this. What they do is, they pick the right people and let them out on deep water, this turns out very well [...]. They try to pick good people and make them responsible for running a business; It's up to them to say what they need.

Talent Management consultant, on company F

I will not let you sit three or four years in the same position. I will say: Hey, do something else. You can do that. So then you need to look for yourself, so you get different experiences. Just out on the stretch.

Company F

If you are appointed to a new job, you get a mission [...] which can be quite open. It could be that we want to enter the Chinese market, or develop a new product or we want that this logistics system can deliver within one day. That becomes your baseline and then we conduct performance reviews. If you perform, that is a step towards becoming a higher level manager. But we also say that you must complete your mission before you can move on.

Company F

Interviewees stressed that this approach offered great opportunities for the employees who were willing to take a chance, but at the same time placed a lot of responsibility on these individuals, who were regularly thrown into new roles and projects without a lot of structure or guidance from the organization. The philosophy seemed to be one of "sink or swim", which was seen as having both its pros and cons:

Our culture is: You have a little seed, and the seed breaks through the earth and comes out. And with a little bit of water the seed will be doing ok. But sometimes, besides the water, you need to have some fertilizer and you need to have some, I do not know, insecticides and so on. So we do have the water but we do not have the fertilizer and the insecticide.

Company F

Succession planning and retention in the Entrepreneurial approach was to a large extent linked to the arising opportunities and individual initiatives. Careers for talents were not uniformly designed, or outlined according to specific principles. Rather, careers were created ad-hoc: Had an ambitious employee succeeded in managing a certain project, he or she would be assigned to a more challenging position according to the current supply of projects:

They are basically just spotted, and then based on what you see you try to help this person to find his or her way in the organization. And that is not only vertical, that can be horizontal as well.

Company F

Contrary to the Competitive approach, the Entrepreneurial approach did not include very long-term plans for talent careers. This was connected to the more pragmatic view on talent, where an employee never was better than his or her last accomplishment and current aspirations. Each new career step was therefore planned when the prior one was completed successfully, and it was incumbent on the employee to show willingness to advance.

The *level of formalization* of the TM processes in the Entrepreneurial approach was low. TM was handled informally and guided by the entrepreneurial values of the organization. The interviewees emphasized culture as the driving factor to make talented individuals advance and grow:

I would say it [Talent Management] is patchwork. And the reason I say that is related to these decentralized structures. So we leave everything to the decentralized structure.

Company F

Of course the scope of control is too wide. Yes, but do I need to control all these things? Can I trust you as a human being? Hopefully. But also trust you as a capable person. And that means that training comes in and techniques and exposures. So I think we need to make sure from the beginning that we teach people to do that. Give exposure.

Company F

With our philosophy and strong belief in an open internal labor market, we have had problems to create a “high potential” process. We have seen that it triggers questions of why we are doing it. It runs counter to our basic beliefs, so now we have scrapped this process, we don’t talk about it in these terms.

Company F

DISCUSSION AND CONCLUSIONS

The current paper set out to investigate TM practices and their underlying view on talent in the Swedish cultural context. This context is characterized by egalitarian values as well as legislative limitations to a direct application of US-based, highly selective and elitist TM practices. The current paper thus adds to our understanding of the translation of TM practices to different institutional

contexts, where the current study to the best of our knowledge is the first to investigate the Swedish context.

Three different translations of TM were identified in the studied Swedish organizations - the Humanistic approach, the Competitive approach and the Entrepreneurial approach (see table 2 for a summary).

Fundamental TM dimension	Humanistic approach	Competitive approach	Entrepreneurial approach
View on talent	<ul style="list-style-type: none"> - Inclusive definition - Possible to acquire - Focus on ability and motivation - Context dependent 	<ul style="list-style-type: none"> - Exclusive definition - Innate - Focus on ability - Transferable 	<ul style="list-style-type: none"> - Inclusive definition - Possible to acquire - Focus on motivation - Context dependent
Identifying talent	<ul style="list-style-type: none"> - Regular talent reviews performed at all hierarchical levels - Informal assessment: make sure everyone's efforts and performance are seen - Embrace subjectivity 	<ul style="list-style-type: none"> - Regular talent reviews performed on higher levels - Formal assessment: Put systems and structures for measurement in place - Strive for objective process 	<ul style="list-style-type: none"> - No regular talent reviews - Informal assessment: talent identified on the basis of successful performance - Embrace subjectivity
Developing talent	<ul style="list-style-type: none"> - Grow own talent - Focus on continuous development and programs open to all - No shortcuts, few privileges for "talent" 	<ul style="list-style-type: none"> - External recruitment of talent - Focus on exclusive programs to which talents are nominated - Keep talents interested 	<ul style="list-style-type: none"> - Grow own talent - Focus on development through new assignments - "Sink or swim"
Succession planning and retention management	<ul style="list-style-type: none"> - Starting point always "on the floor" - Horizontal as much as vertical moves - Emphasis on development within roles 	<ul style="list-style-type: none"> - Clear career paths tailored for talents - Focus on vertical promotion 	<ul style="list-style-type: none"> - Ad hoc careers depending on supply of projects and positions
Organization of TM	<ul style="list-style-type: none"> - Centralized TM through mindset around talent - Process not built after generic model 	<ul style="list-style-type: none"> - Centralized TM through talent activities and processes - Strong connection to strategic goals - Inspired by generic TM models 	<ul style="list-style-type: none"> - Decentralized TM

Table 2. The three approaches to Talent Management summarized.

The current paper thus illustrates that TM may be approached in different ways by different organizations, an aspect that has entered the research agenda on TM only recently. A focus on conceptual studies (e.g. Collings & Mellahi, 2009; Tarique & Schuler, 2010) as well as studies aimed at identifying universal best practices (Stahl et al., 2007) has resulted in a lack of empirical investigations sensitive to differences in TM practices. Hereby the current paper also contributes to a more differentiated understanding of TM and its practices. The existence of different approaches to TM is in line with recent findings by Festing et al (2013), who found three different approaches to TM among mid-sized German companies. These are described as mainly differing in relation to the intensity of TM initiatives. The current study, however, shows that differences are not only related to intensity, but also to the orientation and focus of TM activities. This is in line with and extends Meyers, van Woerkom, & Dries (2013) recent conceptual proposition that whether talent is viewed as innate or acquired will have consequences for the way in which TM practices evolve. They propose three different sets of TM practices based on views on talent as either innate, acquired or as a combination of nature and nurture components. Depending on which view the organization takes, Meyers et al (2013) propose, it will focus on certain TM aspects. If talent is viewed as innate, focus will be on recruitment, talent identification and retention, if it is viewed as acquired, focus will be on talent development and if viewed as emerging in the interaction of “nature and nurture”, practices will focus on the ability to learn as well as the personal and environmental catalysts of learning. While the current study confirms the salience of the innate vs. acquired nature of talent it also shows that other dimensions, such as inclusive vs. exclusive view on talent and whether talent is mainly about abilities or ambition, play an important role in shaping TM practices. Especially the Entrepreneurial approach identified in this paper, with its strong focus on the individual’s drive and ambition, constitutes an empirical contribution to previous typologies of TM approaches.

TM approach and organizational context

The variety of TM approaches found in the Swedish context opens up for a discussion of organizational contingencies that may shape the set of TM practices in organizations. Although the empirical material underlying the current study is far too small to allow a comprehensive analysis of contingencies, some tentative patterns may be identified. Firstly, the organizations that represented the Humanistic approach could be described as more “Swedish” than the organizations applying Competitive or Entrepreneurial approaches. The former had fewer – or no – international operations, and when they had international operations, operations were strongly centralized to Sweden. The organizations applying a Humanistic approach were generally also smaller than the other organizations. The public organizations included in the study were also found to adopt the Humanistic approach. This approach was also more common among companies where the majority

of the workforce consisted of first-line staff with lower levels of education, representing industries such as retail and tourism.

The organizations applying the Competitive approach to TM were mainly highly globalized and large organizations, often in what might be characterized as “knowledge intensive” industries with a large proportion of highly skilled and well-educated employees. For these organizations, the performance oriented TM processes were seen as a strategic asset both in order to enable the global exploitation of its human resources and in order to be perceived as an attractive employer among potential employees. It is clear that companies applying the Competitive approach view TM initiatives as a way to attract, and keep, top performers.

The organizations adhering to an Entrepreneurial approach, finally, had similar characteristics as the ones applying the Competitive approach. The main difference lay in their organizational structure and culture, with the firms applying an Entrepreneurial approach to TM being highly decentralized, with strong beliefs in fostering entrepreneurial values even if this was achieved at the cost of integration, coordination and synergy creation. This study thus indicates that different levels of structure in TM seem to fit different types of organizations. A more formalized approach, employing models, technical terms and categorizations, might appeal to an academic staff and candidate pool, whilst the same approach might be estranging and maybe even provoking in a less academic or highly entrepreneurial setting.

The above discussion indicates that TM approaches may differ according to both company size and the nature of the business they are pursuing. This is in line with the findings of Festing et al. (2013); (see also McDonnell et al., 2010). The current analysis adds the level of globalization as well as the organizational culture as additional contingency variables to be considered in further research.

A Swedish approach to TM?

The three approaches to TM identified in the Swedish context were based on rather different conceptions of talent and played out through different practices. Still they shared a number of commonalities that may be interpreted as adaptations to the Swedish cultural context. In line with the egalitarian and anti-elitist values of the Swedish culture some key features of TM, such as the grading of employees into A,B, and C players or the application of forced rankings common in other cultures (Stahl et al., 2007) could not be observed in the Swedish context. Even the most elitist among the approaches – the Competitive approach – lacked these features. Instead more inclusive views of talent dominated to the extent that the use of the term “talent” was regarded as problematic in quite a few organizations, especially those adhering to the Humanistic approach. A similar tendency towards more inclusive views of talent was also found in the German context (Festing et al., 2013).

This, however, doesn't mean that the organizations studied are not concerned with or engaged in TM activities. TM was an important business priority for all the organizations involved and most organizations were aware of the US-based elitist ideal. For some organizations, this was a state to aspire and work towards. For the majority, however, the ideal was perceived as undesirable as it was regarded incompatible with central societal values. This thus calls for a stronger sensitivity to the cultural context and its impact on TM ideals and practices in future empirical research on TM, a development that this paper has aimed to contribute to.

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