Global Talent Management: A Critical Review and Research Agenda for the New Organizational Reality

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Abstract
Global talent management (GTM) refers to management activities in a multinational enterprise (MNE) that focus on attracting, motivating, deploying, and retaining high performing and/or high potential employees in strategic roles across a firm’s global operations. Despite the critical importance for individual and firm outcomes, scholarly analysis and understanding lack synthesis, and there is limited evidence that MNEs are managing their talent effectively on a global scale. In this article, we review the GTM literature and identify the challenges of implementing GTM in practice. We explore how GTM is aligned with MNE strategy, examine how talent pools are identified, and highlight the role of global mobility. We discuss GTM at the macro level, including the exogenous factors that impact talent management and the outcomes of GTM at various levels. Finally, we identify some emerging challenges and opportunities for the future of GTM.
INTRODUCTION

Effectively building talent pipelines is a long-standing challenge for multinational enterprises (MNEs) (Cascio & Boudreau 2016, Schuler et al. 2011, Scullion et al. 2010). CEOs regularly identify a lack of available skills and capabilities as the primary threat to their growth prospects (Collings et al. 2019). For example, one survey of global human resource (HR) professionals found that 40% of respondents struggled to staff their global teams and 75% identified foreign-born workers as key to driving growth and innovation in their organizations (SHRM 2020). Relative to domestic firms, MNEs enjoy the benefits of accessing a wider pool of global talent through their geographically dispersed structures. MNEs differ on the extent to which they move their talent around globally. Those MNEs with globally integrated operations, where subsidiaries in one country are dependent on subsidiaries in other countries, tend to deploy far more global mobility than those with relatively localized and autonomous subsidiary operations (Bartlett & Ghoshal 1989). Employees in the former type of MNEs are typically sent to other organizational units to facilitate control, coordination, and transfer of practices and knowledge, whereas employees in the latter type of MNEs tend to work mostly locally (Harzing 2000). Traditionally, many MNEs relied on the so-called parent-country nationals or employees from the headquarters (HQ) country who were relocated as expatriates to various subsidiaries for relatively lengthy periods of time. As globalization deepens and global supply chains become more complex, and as technology changes the way we work, the nature of global mobility is changing as well. Employee transfers can originate in any organizational unit and can take multiple forms, including virtual global mobility, where employees do not need to relocate but engage in day-to-day work across borders.

Although having access to such a global talent pool has many benefits, significant challenges remain in terms of unlocking its potential. To illustrate this, Franzino et al. (2023) predict that by 2030, if current employment shortfalls remain unaddressed, more than 85 million jobs, globally, could remain unfilled because there are not enough skilled people to occupy them. The results of this are a devastating US$8.5 trillion in unrealized annual revenues (Franzino et al. 2023). To address this critical need, MNEs use global talent management (GTM) to find, manage, and motivate the potential of strategically critical human capabilities throughout their global network.

How talent is defined is highly contextual with significant variation across contexts. Although the academic literature offers frameworks that analyze the construct in detail (see Nijs et al. 2014, Vardi & Collings 2023), in practice talent is typically assessed on the basis of measures of performance and/or potential in the workplace. At the aggregated level, the term talent is also used to refer to a select subset of an MNE’s employees who have been identified as high performing and/or high potential, or who hold strategic positions in the MNE (Collings et al. 2019). Collectively, GTM has been described as:

all organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in the most strategic roles […] on a global scale. GTM takes into account the differences in both organizations’ global strategic priorities as well as the differences across national contexts for how talent should be managed in the countries where they operate. (Scullion & Collings 2010, p. 6)

We focus on GTM (as opposed to domestic talent management) because there are unique challenges inherent in accessing talented people and their strategic capabilities across geographic boundaries. For example, managers of MNEs must find the balance between applying standardized corporate-wide GTM practices that reflect the culture and values of the organization, while simultaneously adapting these practices for country-specific cultural and institutional norms (Bartlett & Ghoshal 1989, Stahl et al. 2012). The cultural, linguistic, spatial, and temporal distances involved in global work, where culturally diverse and often geographically distant employees collaborate with each other, lead to challenges in the coordination of work and people management more
generally (Reiche et al. 2019). In addition, MNEs need to engage with a wider range of stakeholders and other institutional variables across national borders, which brings greater complexity. This engagement is moderated by the strategic orientation of the MNE (Bartlett & Ghoshal 1989). The recent COVID-19 pandemic is illustrative of these challenges, as MNEs had to respond to waves of the pandemic in different countries and regions, along with different regulations on working arrangements, and additionally had to explore novel staffing methods when traditional approaches—such as business travel or short-term mobility—were temporarily unavailable (Caligiuri et al. 2020, Lazarova et al. 2023, Vaiman et al. 2021). Thus, although it promises greater efficiency and superior access to talent in global markets, the global environment also creates significant tensions in the coordination of work.

In the academic literature, despite almost a quarter of a century's work on GTM, research remains diffuse and lacks synthesis, and in practice there is little evidence that most MNEs are managing their talent effectively throughout their global organizations (Cascio & Boudreau 2016, Collings et al. 2019). In this article, we review what is understood and the still underdeveloped areas in GTM research and practice. We do this while acknowledging there are dynamic disruptive forces that must also be considered in the context of GTM, such as the after-effects of the COVID-19 pandemic, major geopolitical conflicts, technological disruptions, and shifting demographics. Each of these could challenge existing theories of GTM and motivate innovative research approaches to help answer key emerging research questions (Caligiuri et al. 2020, Lazarova et al. 2023, Vaiman et al. 2021). We begin our review by providing a comprehensive definition of GTM and considering its intersecting components. How GTM is operationalized in theory and practice and links with MNE strategy, questions around how talent pools are identified, and the role of global mobility are then outlined. Next, we explore GTM at the macro level, including the exogenous factors that impact talent management and the outcomes measured in research on GTM. Finally, we turn to some emerging challenges with important implications for the future of GTM scholarship and practice.

DEFINING GLOBAL TALENT MANAGEMENT

Thinking of talent and talent management as a strategic resource is not a new idea. To help contextualize our review of GTM and clarify the etymology of the construct, we revisit some of the more general literature on talent management. The concept of talent management is generally traced to McKinsey research in the 1990s, culminating in Michaels et al.'s (2001), The War for Talent. They argued that core to the success of the organizations they studied was the performance of top managers and an organization-wide talent mindset. These ideas had considerable influence on management thinking and practice (Cappelli & Keller 2014, Collings & Mellahi 2009). Cappelli & Keller (2017, p. 23) highlighted how talent management became “the most important term in the field of human resources in the early twenty-first century.” We believe it remains true today that effective talent management is essential for strategic human resource management (HRM).

Since it entered the business literature in the early 2000s, the wider area of talent management has experienced theoretical tensions around its intellectual and conceptual boundaries. Although a full discussion of these tensions (see Cappelli & Keller 2014, Collings & Mellahi 2009, Lewis & Heckman 2006) is beyond the scope of our review, we do contend that a key boundary concern lies in distinguishing talent management from traditional approaches to HRM. Arguably, the key difference between HRM and talent management is a focus on differentiation in the way those deemed to be talent are managed compared to other employees within a company's portfolio of human capital. Cappelli & Keller (2017) trace this differentiation in how employees are managed to the squeeze on financial resources that occurred in the aftermath of the economic crisis of the
1970s, when it became more challenging for organizations to maintain an inclusive approach to investing in employees. At the same time, there was an increasing recognition in the academic literature that investing equally in all employees could lead to unnecessarily high costs (Becker & Huselid 2006, Kaliannan et al. 2023). Grounded in the strategy literature, the workforce differentiation literature highlights the importance of differential investment in human capital across the talent portfolio (Huselid et al. 2005). However, the focus on differentiation has evolved over the past decades: from focusing on key individuals and bottom-up theorizing, to a focus on key positions and collective interactions or top-down theorizing.

Specifically, the earlier literature on talent management focused on the individual as the locus of differentiation. This bottom-up approach to theorizing suggests that employees contribute to a firm’s competitive advantage through their uniqueness and individual value (Becker & Huselid 2006). In other words, this approach starts with the individual and focuses on the value they can create. This resonates with the McKinsey War for Talent approach and is reflected in talent management practices such as forced distribution of performance (Grote 2005) with a focus on a small percentage of star (A) performers who disproportionately contribute to organizational value. Other employees are classified as average (B) or below-average (C) performers. The challenges of forced distribution in performance management are now widely recognized in the academic literature and Pfeffer (2001) provides a compelling critique of this individualized approach to talent management, highlighting the detrimental internal competition that can be associated with it.

Additionally, although there is increasing recognition that performance is unevenly distributed among employees, assumptions around a normal performance distribution are now questioned in many work contexts, challenging a key assumption of forced distributions. While there is a debate regarding the conditions needed to understand whether performance is normally distributed (Beck et al. 2014), an increasing body of evidence suggests that star employees can have an outsized influence on overall work output (Aguinis & O’Boyle 2014, Aguinis et al. 2016). However, we must recognize the path dependence of this performance and the role of context in enabling star performers (Asgari et al. 2021, Kehoe et al. 2023). Thus, it is insufficient to consider star performance in isolation; this understanding challenges a key assumption of the war for talent's focus on individual performance.

Indeed, resource-based theorizing would suggest that collective interactions, interconnections, and path dependence are core to competitive advantage (Bowman & Hird 2014) in that together, embedded in the context, they are deemed to be valuable, rare, difficult to imitate, and non-substitutable. Theoretically, Morris et al. (2016, p. 726) describe the effects of those collective interactions, interconnections, and path dependence as unit-level local human capital reflecting “the aggregated knowledge and experience that emerge among individuals as they interact with one another and with people in the local environment.” They argue that although individuals possess human capital, this is often developed collectively, i.e., embedded in a social network and thus difficult to disaggregate to the individual level. Thus, human capital can be thought of as a unit-level resource that is created from the emergence of individuals’ capabilities in the collective (Ployhart & Moliterno 2011)—an approach that has been adopted in the GTM literature (Collings et al. 2019). In addition, Call et al. (2015) identify social capital as central to their definition of stars, recognizing the role that networks and collaboration play in exceptional performance, which is in turn a key factor in talent identification.

The locus of differentiation has shifted from individuals to top-down theorizing, with a focus on the level of jobs. Strategic, or pivotal, jobs are highlighted as core to competitive advantage in this approach (Becker et al. 2009, Cascio & Boudreau 2016, Huselid et al. 2005). This approach recognizes that human capital is of little economic value if it is not deployed in the implementation of the organization’s strategic intent (Becker & Huselid 2006, Collings & Minbaeva 2021). Becker
& Huselid (2006, p. 904) note that when “employees are able to contribute to a firm’s strategic value they have (strategic) value...[but] not all strategic processes will be highly dependent on human capital.” Indeed, the idea of pivotal jobs/positions is core to the fundamental understanding of talent management.

As such, we believe Collings et al.’s (2019, p. 543) definition of GTM is the most specific and comprehensive:

(1) the systematic identification of pivotal positions that differentially contribute to an organization’s sustainable competitive advantage on a global scale, (2) the development of a talent pool of high-potential and high-performing incumbents who reflect the global scope of the MNE to fill these roles, and (3) the development of a differentiated HR architecture to fill these roles with the best available incumbents to ensure their continued commitment to the MNE.

This definition explicitly begins by focusing on pivotal positions. These positions are defined by their centrality to MNE strategy and by the potential performance variability when the quality or quantity of people in these roles increases (Becker & Huselid 2006, Cascio & Boudreau 2016). These pivotal positions are often individual contributor roles and are not limited to leadership roles, which often dominate discussions on GTM.

Once these positions are identified, the definition emphasizes the development of talent pools to fill these positions with high-potential and high-performing individuals from across the MNE. These talent pools represent a more dynamic approach to succession planning, where individuals are developed more broadly in the context of the MNE, rather than with a narrow succession position in mind (Cappelli & Keller 2014). However, developing truly global talent pools is complex, and challenges such as bounded rationality, homophily, and distance (Mäkelä et al. 2010, Mellahi & Collings 2010) have all been identified as benefiting HQ employees in being nominated to the global talent pool, while employees located in subsidiaries are less likely to be identified as talent. Additionally, the MNE’s competitive strategy is likely to influence the composition of the global talent pool (Collings et al. 2019, Morris et al. 2016), and we return to these considerations below.

The final element of Collings et al.’s (2019) definition refers to a differentiated HR architecture. This is in line with increasing recognition that better management of this critical pool of employees will have a disproportionate impact on value creation at the firm level (Lepak & Snell 1999) and represents an exclusive approach to GTM where those designated as talent are supported with a particular suite of HR practices (Stahl et al. 2012). The aim of a differentiated HR architecture is to contribute to MNE performance by increasing the knowledge, skills, abilities, and opportunities of the talent pool, improving the alignment of the performance of employees in pivotal positions, and increasing the motivation and commitment of these employees (Collings et al. 2019).

IMPLEMENTING GLOBAL TALENT MANAGEMENT

GTM necessitates the creation of new HR tools, methods, and processes to support the coordination of global talent pools and to provide the necessary systems to support global integration (Farndale et al. 2010). The importance of aligning the MNE strategy and GTM, and subsequently designing the talent practices (such as high-potential programs, talent development programs, global talent pools) to enable these strategies, has long been recognized in the literature (Schuler et al. 2011). To this end, Farndale et al. (2010) highlight the importance of vertical integration between MNE strategy, business model, and organization structure in delivering on the MNE’s GTM objectives.
The alignment of GTM with MNE strategy has important implications for designing talent management practices and deciding what population should be included in GTM. For example, Morris et al.’s (2016) architectural framework considers which types of human capital (corporate, subsidiary, international, or local) should be prioritized in the MNE’s talent portfolio in the context of the MNE strategy. Drawing on the economic theory of asset specificity, which argues that assets are a more valuable source of advantage when they are difficult to transfer from one context to another, they discuss how different types of human capital influence competitive advantage. In the context of the MNE, two key sources of specificity are argued to be central: firm specificity and location specificity. Morris et al.’s (2016) framework goes on to explore how these different types of human capital combine and interact with one another in the context of different MNE strategies: multidomestic, meganational, and transnational. Collings et al. (2019) argue that in an MNE adopting a transnational strategy, the priority should be on developing a globally diverse talent pool with individuals who collectively possess a combination of parent-firm human capital (HQ knowledge) and local-specific human capital (local contextual knowledge) (Chung et al. 2015). In contrast, a multidomestic strategy would be better served with multiple talent pools incorporating high levels of local-specific human capital owing to the lesser requirement for corporate integration. Under the latter strategy, subsidiaries operate as independent businesses, with a high degree of adaptation to local market conditions.

Sparrow et al.’s (2013) empirical study confirmed the importance of senior and line manager support in implementing the business strategy. They also highlighted the importance of a culture focused on talent, or a talent mindset, in effective implementation. Farndale et al. (2010) identify three key questions for MNEs in developing GTM: (a) What is the role of the HR function in enabling GTM? (b) What form should talent management take? (c) Which populations should be managed under the auspices of global talent programs?

Indeed, the role of the HR function in implementing GTM in the MNE has long been recognized as significant (Schuler et al. 2011). Farndale et al.’s (2010) conceptual framework is an important contribution in moving beyond specific GTM practices that were identified in earlier research and explicating how to engender broader support for GTM across the organization. They develop a typology of four roles that the function may develop to facilitate GTM: champion of processes, guardian of culture, effective political influencer, and knowledge management champion. The champion of processes emphasizes the development of system monitoring and system control over the implementation of GTM practices through global expertise networks and process innovation. The guardian of culture emphasizes the role of socialization and leadership in developing corporate culture and encouraging mobility across the organization. This is core to breaking down silos across the MNE. The role of effective political influencer requires the building of social capital within and beyond the MNE’s boundaries, to understand wider talent trends. This emphasizes the role of GTM in boundary spanning to generate intelligence and establish access to resources. Finally, knowledge management champions prioritize the career management of employees and facilitate global talent flows in the MNE. It is important to note that these roles are not mutually exclusive, and elements of multiple roles may be evident in single MNEs (Sparrow et al. 2013). Consistent with resource-based theorizing, this points to the role of superior organizational processes in delivering sustainable competitive advantage. Competitive advantage is achieved through the interaction of talented employees and appropriate HR support and practices (Collings et al. 2019).

As outlined earlier, the alignment of GTM practices with MNE strategy is important for implementation, but equally important is how GTM practices are transferred between HQ and subsidiaries and from subsidiary to subsidiary. GTM practices, often developed at HQ, need to be implemented at the subsidiary level in different cultural and national contexts. The
implementation of GTM practices across borders opens the opportunity for differences between the design and execution of the GTM practices. In some cases, this means that even the best GTM practices might not work out as planned if they are poorly implemented at the subsidiary level. The level of similarity between HQ’s intentions for transferring GTM practices and the subsidiary’s implementation of those practices is critical for alignment (Lazarova et al. 2017).

When considering how subsidiaries across the MNE differ in their level of alignment, subsidiary centrality within the MNE network has been argued to be a key determinant. Interdependence—namely, the reliance of HQ and subsidiary on each other in the fulfillment of tasks—has further been identified as a key determinant of GTM alignment (Collings et al. 2019). Central subsidiaries generally have deeper knowledge bases and strengthened capacity to effectively implement HQ policies (Andersson et al. 2001). The challenge for MNEs is to effectively manage the network of central and more distal subsidiaries, to increase the alignment between intentions for GTM and subsidiary implementation of those practices, which, in turn, holds implications for subsidiary-level performance (Collings et al. 2019).

This alignment matters as GTM practices can fail when implemented ineffectively across subsidiaries. One key example is the ineffective implementation of practices in the global identification of talent. The talent identification process is generally highly integrated with performance management (Stahl et al. 2012), but the challenges of implementation of corporate-wide performance management are widely recognized (Cascio 2006, Mäkelä et al. 2010, Mellahi & Collings 2010). These challenges include inconsistency in the implementation of practices at the subsidiary level (Björkman et al. 2008), internalization of those practices by subsidiary actors in terms of the perceived value they place on the practices and their commitment to them, variations in the practices by some subsidiary managers (Kostova 1999), and rater biases in the performance management process (Mäkelä et al. 2010).

Covering the full spectrum of challenges in the implementation of GTM is well beyond the scope of this article. For an illustration, consider the problem of subsidiary leaders’ motivation to identify talent. With a desire to retain top talent within the subsidiary, subsidiary-level leaders may be unwilling to identify and share their talent, believing that their high-performing employees will be rotated beyond the subsidiary and, in turn, improve the performance of other subsidiaries perceived as competition for the leader (Cappelli 2008, Mellahi & Collings 2010). This is understandable as subsidiary leaders are rewarded for their subsidiary’s performance and, therefore, would not benefit from sending their high-performing employees to other subsidiaries. Another problem to illustrate the challenges with GTM practice implementation concerns the limits of HQ staff to evaluate talent. Even when the data from the performance management system are available, the bounded rationality of HQ decision makers leads to them making imperfect complex decisions. Specifically, the degree to which HQ managers search for pertinent information to inform their decision is limited, resulting in satisficing once they feel as though they have sufficient information to feel confident in making a talent selection. Without full information, selection decisions can be biased toward candidates who are physically and culturally closer to HQ decision makers, resulting in global talent pools that do not reflect the diversity that the MNE might desire (Mäkelä et al. 2010, Mellahi & Collings 2010).

In sum, we have identified several broad challenges inherent to the implementation of GTM. The example provided in the sidebar titled Case Study: Google’s Approach to Global Talent Management illustrates the complexity of GTM in practice. While challenges in the design and execution of GTM practices are critical, so too are the challenges around the relocation of employees as part of GTM. From this aspect of GTM, we are considering not only employees’ capabilities but also where to locate employees (and their inherent strategic capabilities) within the MNE. Positioning talent within the MNE sometimes requires employees to relocate from one country to
CASE STUDY: GOOGLE’S APPROACH TO GLOBAL TALENT MANAGEMENT

Google’s approach to GTM has helped it attract, develop, and retain top talent, fostering its culture of innovation and positioning it as a leader in the industry. This is achieved through several key initiatives:

1. Global talent acquisition: Google uses advanced artificial intelligence and data analytics to identify potential hires globally and match internal talent for open positions based on employees’ skills and preferences.
2. Cultural integration: Google encourages employees to share and celebrate their unique skills and cultures, thus fostering a diverse and inclusive work environment.
3. Talent development: Google invests significantly in employee development, providing numerous training and upskilling opportunities. Google’s Career Guru Program, for example, pairs employees with coaches who provide advice and guidance on career development.
4. Flexibility and work-life balance: Google employees have the opportunity to work remotely and adjust their work schedules to accommodate personal needs.
5. Retention strategy: Google’s attractive benefits and employee-friendly policies, along with its emphasis on providing exciting work and professional development opportunities, contribute to its high retention rates.

Google has a site to share the company’s best practices in global talent management. The company’s practices are available from [https://rework.withgoogle.com/](https://rework.withgoogle.com/) (accessed June 30, 2023).

GLOBAL TALENT MANAGEMENT AND GLOBAL MOBILITY

Within MNEs, global mobility refers to the activity surrounding employees’ relocation from one country to another country for international assignments (often referred to as expatriate assignments). The overlap between global mobility and GTM is most pronounced when traditional international assignments are more strategic (i.e., pivotal positions) and when international assignees possess skill sets that are critical for executing the MNE’s strategy (Collings 2014, Collings et al. 2019). These international assignments are not necessarily limited to HQ-based talent moving to a host-country subsidiary; some talent can be third-country nationals assigned to a host-country subsidiary, while other talent may relocate to HQ as inpatriates (Collings 2014, Moeller et al. 2016).

With a focus on the movement of talent across borders, global mobility has become a key theme within the GTM literature because incumbents for pivotal roles in other countries are often selected from the global talent pools of MNEs (Cerdin & Brewster 2014). For example, when MNEs coordinate their GTM practices globally, local subsidiary employees can become part of the global talent pool, giving talented individuals an opportunity to accept pivotal roles outside their home countries (Tarique & Schuler 2018). Subsidiary employees with strategic capabilities could be given an opportunity to work in the MNE’s HQ to build social capital and be considered part of the global talent pool (Collings et al. 2010, Moeller et al. 2016). Individuals who move abroad of their own volition have also been argued to have the potential to be considered as part of the global talent pool by self-initiating international experiences and possessing the strategic capabilities needed for pivotal roles (Vaiman et al. 2015).

To manage the relocations of the global talent pool, global mobility managers provide support practices such as visa and immigration compliance, family relocation services, language training, and tax equalization. Global mobility managers, although instrumental in helping employees
relocate, tend not to be involved in selection decisions and other talent-related considerations (Collings 2014), which is typically the purview of the business units and other HR functional areas, like talent development and leadership development. However, there have been calls for greater levels of integration between GTM and global mobility (Cerdin & Brewster 2014, Collings 2014).

Other forms of international assignments are possible within GTM but might require very little involvement of the global mobility function. For example, virtual international assignments—where employees in pivotal roles remain in their home location while working with colleagues from another country—might not interact with global mobility managers. Short-term or commuter assignments—where employees in pivotal roles relocate or travel to a host country for a short period of time, usually without family or significant relocation—might also have limited involvement with the global mobility function.

It is important to note that not all international assignments are pivotal roles: Some employees on international assignments may have technical skills that are neither critical nor unique in their home country but are needed to fill a skills gap in another country, even temporarily. This is, unfortunately, one reason some returning expatriates who are not benefiting from GTM (or considered to be part of the global talent pool) leave their organizations upon completing an international assignment. They have gained professional and social capital from the international experience, but their experience is not considered relevant or utilized within GTM. McNulty & De Cieri (2016) point out this difference between the corporate return on investment (cROI) and individual ROI (iROI) for the same international assignments. Expatriates who are not part of the global talent pool might experience high iROI while the company experiences low cROI for the same assignment. If GTM is aligned well with MNE strategy and global mobility, both iROI and cROI should be high. As we discuss in the section on GTM outcomes, where GTM fails to achieve intended outcomes related to global mobility, negative consequences may include substantial short-term and long-term losses, such as the departure of talented individuals, loss of market-specific knowledge, failure of critical initiatives, reputational damage for the MNE, and, in more extreme cases, a need for organizational restructuring or changes to GTM (Moeller et al. 2016).

**Global Talent Management, Global Mobility, and Organizational Strategy**

To understand how GTM can align with strategy and global mobility, we need to understand how firms compete globally (Bartlett & Ghoshal 1989). The literature typically identifies three key goals of global mobility—namely, coordination, knowledge transfer, and talent development (e.g., Edström & Galbraith 1977, Harzing 2001). In the coordination function, international assignees have a primary responsibility to lead, manage, and socialize, so as to maintain consistency among the MNE’s practices, values, approaches, and the like (Harzing 2002, O’Donnell 2000). In terms of knowledge transfer, international assignees are imparting and extracting knowledge and becoming the conduit through which knowledge flows across units (e.g., Furuya et al. 2009, Reiche et al. 2009). Regarding talent development, international assignments are used to upskill global talent as assignees, to immerse such talent in a host culture, and to teach them how to be effective global leaders within the MNE (Welch 2003).

MNEs continue to need a pool of global talent who can effectively work in a cross-cultural context and can handle greater complexity and ambiguity, such as managing challenges inherent in national and cultural differences (Galma et al. 2022). These skills are often gained when employees with strategic capabilities can gain the stretch experiences of working in another country. Ensuring that top talent has access to international opportunities is an important role for GTM. However, the path to ensuring that global talent occupies critical roles—wherever in the world their capabilities are needed—is not always easy. Other factors affect the use of international
assignments in GTM, such as heavy relocation costs, spending political capital for not hiring locally, and a risk of ineffectiveness due to cultural differences. Even when those resource and risk factors are addressed within GTM, other challenges affect whether global talent will be offered, and then accepted: international assignments such as visa restrictions, global pandemics, elderly parents, dual careers, teenagers not wanting to leave friends, and, in some countries, the talents’ sexual orientation. In yet another nonlinear case, some employees who are part of the GTM pool may become global careerists (McNulty & Inkson 2013) who prefer to remain on consecutive international assignments in diverse locations to meet their personal and professional goals (McNulty & De Cieri 2016).

The future for global mobility is in a state of flux as the landscape for mobility is shaped by factors such as advances in collaborative technologies and more MNEs limiting business travel to improve environmental sustainability and contain costs. Future research needs to address whether these virtual global mobility experiences will alter the strategic and developmental effects of mobility and GTM (Caligiuri et al. 2020, Lazarova et al. 2023). In addition to traditional international assignments (i.e., relocating to another country for more than six months), other forms of international assignments are possible, such as virtual international assignments, where the work is in another country or countries but the talent remains in their home location, and short-term assignments, where the work is in another country but the talent relocates for a short period of time—usually without family. These alternative types of international experiences are used in GTM to accommodate the talents’ need to care for family locally or to align with visa limitations.

Global Talent Management, Global Mobility, and Talent Development

In a 2022 survey of global mobility managers around the world, almost all (~95%) identified using global mobility to attract, develop, and retain key talent (Sirva BGRS 2022). The idea that some key talent is attracted to global mobility and that many need global experience to enhance their professional value to the organization are both critical themes for GTM and consistent with the cROI approach developed by McNulty & De Cieri (2016). When global talent wants opportunities to live and work in different countries, global mobility becomes an attraction-and-retention strategy. These individuals have an international career orientation or career anchor (Lazarova et al. 2014, Suutari & Taka 2004, Suutari et al. 2012) and are deeply motivated to experience different cultures, selecting, and staying with, companies that offer diverse international experiences.

Whereas some global talents are motivated by international experiences, others will accept global mobility opportunities for the purpose of career advancement and more challenging future jobs (Jokinen et al. 2008). In many MNEs, having an international assignment is an important career asset (e.g., Carpenter et al. 2001, Takeuchi et al. 2005) because such assignments have the potential to foster career capital (Jokinen et al. 2008), cultural agility (Caligiuri & Caprar 2022, Caligiuri & Tarique 2016), and cultural intelligence\(^1\) (e.g., Ott & Iskhakova 2019).

The promise of development through international assignments is high, but engaging in global mobility does not guarantee development in GTM. For development to occur, talent needs to

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\(^{1}\text{Career capital consists of three ways of knowing: knowing-how (e.g., the skills, expertise, and tacit knowledge needed for performance); knowing-why (e.g., one’s sense of purpose, motivation and identification with their career), and knowing-whom (one’s professional and social relations and networks) (Jokinen et al. 2008). Both cultural agility and cultural intelligence are individual-level responses to being in cross-cultural context. Cultural intelligence is “a person’s ability to adapt effectively to a new cultural context” (Earley 2002, p. 274). The cultural agility concept includes the competencies needed to read and correctly respond to the cross-cultural environment for which adaptation is only one possible response.}\)
utilize certain skills under certain conditions. The skills include (a) practicing the appropriate behavioral norms in the host country (e.g., Feldman & Bolino 1999), (b) building relationships with host nationals (Farh et al. 2010, Feldman & Bolino 1999, Mahajan & Toh 2014, Shapiro et al. 2008), and (c) seeking feedback on how to be effective in the host country (Dragoni et al. 2014). For international assignments to be developmental, certain conditions must be present (Caligiuri 2023, Caligiuri et al. 2019), including (a) cultural novelty, (b) the appropriate level of readiness of the talent, (c) the level of awareness of the cultural norms and values, and (d) the level of social support available. In GTM, with both factors in motion, the expectation that global mobility will be a developmental experience cannot be assumed.

Up to this point we have discussed GTM within organizations. We now turn to the wider context in which GTM is implemented and consider some of the key contextual factors that impact the management of talent on a global scale. The next section discusses the macro context affecting GTM.

MACRO CONTEXT AND GLOBAL TALENT MANAGEMENT

A key stream of literature on GTM considers the contextual, or exogenous, factors that impact the management of talent on a global scale. Early contributions (Tarique & Schuler 2010) highlighted globalization and employee demographics as key. Since then, a multitude of macrolevel factors related to the supply and characteristics of talent have attracted research attention. Important insights into such national-level differences have resulted from work on talent competitiveness, which has been generally understood as the practices and policies, and the context in which they occur, that enable a location (e.g., country, region, city) to effectively attract, develop, deploy, and retain the human capital necessary for strategic growth (Evans et al. 2021). A prominent example is the INSEAD Global Talent Competitive Index (GTCI). The GTCI is a benchmarking index based on an input-output model, which combines assessment of what firms do to ensure supply of talent (input) and the knowledge, skills, and abilities available as a result (output) (Lanvin & Monteiro 2022). On the input side, the GTCI includes activities that enable (e.g., regulatory landscape), attract (e.g., openness to external mobility, elimination of internal barriers that restrict the talent supply), grow (e.g., education, access to growth opportunities), and retain (e.g., lifestyle) talent. On the output side, the GTCI includes the availability of two levels of skills: mid-level (vocational and technical skills) and high-level (global knowledge skills). There is also research that explores how talent management has developed in specific national and regional contexts, including China, India, Europe, and the Asia-Pacific region (e.g., Pereira et al. 2022).

The core rationale behind such work is the recognition that GTM does not happen in a vacuum but, rather, is deeply embedded in the diverse national contexts where MNEs operate (Evans et al. 2021, King & Vaiman 2019). Organizations and individuals make choices in a complex environment, influenced by the activities of an interrelated web of actors such as governments, institutions operating from local to supranational levels, labor unions, nongovernmental organizations (NGOs), and talent diasporas, in labor markets with distinct labor market norms and conditions (Evans et al. 2021, Khilji et al. 2015). For example, GTM will configure differently in a country with a highly educated, but limited (and thus very expensive), talent pool, compared to a country characterized by growing immigration of skilled talent that is underutilized locally. Reflecting such considerations, interest in macro talent management (MTM) is emerging. Formally, MTM has been defined as:

factors such as the demographics, the economic, educational, social and political conditions of countries and the policies, programs and activities that are systematically developed by governmental and nongovernmental organizations expressly for the purpose of enhancing the quality and quantity of
talent within and across countries and regions to facilitate productivity, innovation and competitiveness of their domestic and multinational enterprises for the benefit of their citizens, organizations, and societies for long-term advantage. (Khilji & Schuler 2017, p. 400)

Although traditionally the focus of GTM has been at the firm level, MTM scholars suggest that attention to macrolevel factors is critical and that our understanding of GTM will be greatly enhanced by multilevel research (King & Vaiman 2019) and multidisciplinary perspectives (Khilji & Pierre 2021). Given that national contexts can greatly constrain or enable GTM and impact the effectiveness of specific GTM approaches, the assessment of the characteristics of a macrolevel talent system should become a matter of strategic concern for MNEs (King & Vaiman 2019).

MTM research is important as it highlights cultural and institutional differences that may be important boundary conditions in our theorization. In addition to considering the factors most likely to impact GTM, scholars have also set out to consider the interaction between the macro context in which firms operate and the firms themselves in developing our understanding of GTM. A popular MTM framework has been developed by Khilji et al. (2015). The framework describes the mutual interdependence of macroenvironmental factors (e.g., government policies and programs, national culture), MTM functions (e.g., talent planning, acquisition, development, and retention) and processes (e.g., educational leadership, knowledge spillovers), and MTM outcomes. Two types of outcomes are highlighted as important: first-level outcomes that emerge directly from the influence of MTM, such as educational attainment, employment levels, mobility of talent, and utilization of the talent diaspora, and second-level outcomes such as country productivity and innovation, economic development, and country competitiveness. Khilji & Schuler (2017) further suggest that the MTM framework should not be viewed as a set of simple linear relationships but, rather, as consisting of many factors that interact with each other in a complex way. Thus, GTM in MNEs must consider a web of actual and anticipated government policies, national economic trends, national and supranational laws and legislation, and the broader ways of doing business at the macro level. Khilji & Schuler (2017) also identify several theoretical perspectives that can be useful in the study of MTM, such as institutional theory, resource-based views, knowledge-based theories, and transformative learning and human capital theory (Khilji & Schuler 2017).

Although MTM is a growing area of research, it is not without its critics (Metcalfe et al. 2021). Notably, with all of its emphasis on context, MTM research has largely emanated from scholars based in wealthy Western countries which may have created a blind spot in the theory—namely, it views the world from the perspective of developed economies and focuses on conditions that prevail there such as aging populations and shortage of talent; it implicitly assumes that working for MNEs (and for profit-focused corporations more specifically) is the dominant employment relationship, and it embraces neoliberal ideas emphasizing productivity and efficiency above all. It also ignores the complexity of the web of actors that may work to shape talent at local levels in countries described by different demographic trends and different resource allocations and constraints. For example, in many countries in the Arab Middle East, providing education may involve not only government administration departments but also international organizations, NGOs, community networks and partnerships, and women’s groups, which interact in dynamic ways and are motivated by goals such as collective skill building, inclusion, empowerment, and social justice, rather than increasing MNE productivity (Metcalfe et al. 2021).

Although strictly speaking MTM scholars have indeed noted the importance of achieving goals such as national prosperity and inclusive societies (Evans et al. 2021), the overall thrust of MTM does appear to emphasize more instrumental and economic-focused objectives such as competitiveness, economic development, productivity, innovation, and country attractiveness in talent rankings (Khilji & Schuler 2017). Although, as an area of study, MTM would benefit from some
refinement, it does represent an area of considerable potential. One critical area of development concerns investing in innovative empirical studies, as the dominant work on the topic is purely conceptual.

We now turn to considering the outcomes of GTM in theoretical and empirical terms. Although the MTM research stream has touched on macrolevel and societal outcomes of GTM, the broader GTM literature has explored outcomes for the MNE and for individuals.

OUTCOMES OF GLOBAL TALENT MANAGEMENT

The mainstream GTM literature has focused primarily on outcomes that will provide value or competitive advantage for MNEs (Cascio & Boudreau 2016, Collings et al. 2019). Reflecting to some extent the connection between the organizational and individual experiences of GTM, outcomes at the individual level have also been considered (Garavan et al. 2021). Despite conceptual MTM work to date, there has been very little empirical evidence of outcomes of GTM at the societal level. As we have highlighted throughout this article, numerous challenges and risks can hamper the implementation—and effectiveness—of GTM, with important implications for the outcomes of GTM at all levels. We believe this focus on the outcomes of GTM at the MNE, individual, and macrocontextual levels provides an opportunity for future research.

Outcomes of Global Talent Management for Multinational Enterprises

Understanding the influences of GTM on MNEs is an important area of investigation because the relationship is nuanced and complex. There is some evidence of positive associations between GTM practices and a range of MNE outcomes, such as serving client needs, developing new markets, and investment in top talent and future leaders of the firm (Farndale et al. 2014). Based on case studies conducted in several European MNEs, Kabwe & Okorie (2019) found that where GTM practices were aligned between HQ and subsidiaries, positive outcomes included reduced risks associated with internationalization, improved international operations, and sustainable competitive advantage. Additionally, an experimental study by Ewerlin (2013) found that specific GTM practices did increase the attractiveness of the MNE for global talent, but the mere presence of GTM in an MNE was insufficient to be influential.

The employer attraction dimension is an important outcome for MNEs. In fact, some researchers have argued that a key measure of GTM effectiveness is the extent to which an MNE attracts and retains a diverse and inclusive workforce that is available, ready, and willing for the MNE to deploy (Mäkelä et al. 2010, McNulty & De Cieri 2016). Although some aspects of diversity are generally applicable, nations or regions may have particular diversity challenges. For example, attitudes toward sexuality or the role of women in society vary greatly across the globe. Effective GTM—as a mechanism for the promotion of talent from subsidiaries to senior leadership roles—should lead to diversity at the top of MNEs. GTM should facilitate the promotion of talent from around the MNE’s global network into key positions, including senior leadership roles, contributing to MNE performance in three ways: (a) by bringing together a culturally diverse management team with the capabilities to deal with global complexity and specific local demands; (b) by helping to legitimize the MNE in host countries when the top management team includes host-country nationals; and (c) by attracting and retaining talent by offering pathways for career progression in the MNE (Mellahi & Collings 2010). As Mellahi & Collings (2010) document, however, the reality is that GTM in many MNEs has failed to some extent, with serious consequences for the firm and the individuals involved. The ongoing lack of diversity in top management teams in many MNEs worldwide could be viewed as an indicator of GTM failure.
To understand the link between GTM and MNE outcomes, we need to better understand whether the link is universal or contingent. Although the universal view proposes that a single set of best practices in GTM will lead to positive organizational performance, the contingent view postulates that greater alignment between GTM practices and the MNE strategy will enhance organizational performance (Collings et al. 2019, Stahl et al. 2012). In the past decade, theoretical and empirical support for the contingent view has become dominant. For example, Jooss et al. (2021) found that where GTM is aligned with MNE strategy, the use of talent pools as a GTM practice helps to develop a global talent pipeline. Also supportive of the contingent view, Stahl et al.’s (2012) multi-year study with 33 MNEs headquartered in 11 countries identified six key features of GTM that contribute to MNE performance goals. Resonating with the contingent view, they are “(1) alignment with strategy, (2) internal consistency, (3) cultural embeddedness, (4) management involvement, (5) a balance of global and local needs, and (6) employer branding through differentiation” (Stahl et al. 2012, p. 25). Their results revealed that when these features were present, organizations reported improved attraction and retention of employees.

Let’s consider an example. Operating in more than 130 markets, and driven by the belief that “great stories transcend borders,” Netflix, the current global leader in streaming entertainment, creates content around the world, telling distinctly local stories, in multiple languages. Although content is produced locally, the company has a consistent approach to its talent management, which is driven by its core values and corporate culture. All Netflix employees are selected very carefully, given a lot of freedom and encouraged to make decisions independently and without much delay. They are paid handsomely but they are also expected to deliver superior performance. Information is shared broadly and deliberately, and candid feedback is valued. Managers in the organization use a keeper test; i.e., they are asked to evaluate whether they would fight to keep an employee if the employee told them they would be leaving to find a similar job elsewhere. Those who do not pass the keepers test are offered a generous severance package and are replaced. These practices are implemented across the organization. They are aligned internally and align closely with the overall management philosophy that guides the corporation. Netflix’s high-performance culture is so strong that what is expected from employees is clear not only to employees but also to organizational outsiders. Indeed, by the company’s own admission, Netflix’s approach may not appeal to all potential employees (Netflix 2023a,b; Pucik et al. 2023).

In theoretical work on the MNE outcomes of GTM, Morris et al. (2016) highlight how outcomes of GTM could be measured in terms of value creation and value capture within the MNE at multiple levels, including firm level and subsidiary/unit level. Even as we begin to understand the organizational outcomes of GTM, our understanding of the potential value of GTM, as Collings et al. (2019) note, remains limited. Collings et al. (2019) offer a detailed theoretical framework based on GTM routines, strategy, subsidiary alignment, and individual human capital, which presents a nuanced understanding of how GTM links to MNE organizational performance at the MNE HQ and subsidiary levels, as well as to employee performance at the individual level. Although these three frameworks offer valuable contributions by detailing the way in which GTM connects to MNEs’ organizational outcomes, at the time of writing, they have not been tested empirically.

The paucity of empirical research on MNE outcomes of GTM practices may reflect, in part, the numerous challenges and obstacles associated with implementing them. An early study using data from 260 MNEs found that “a significant number of MNEs have systems and mechanisms in place to strategically identify and develop their talent [but] many more seemingly adopt an ad hoc or haphazard approach” (McDonnell et al. 2010, p. 150). Research evidence over the past decade shows that the gap between the intended GTM and the implementation of GTM is an enduring problem, owing to a range of factors that impede the execution of policy goals, such as
The following are various example metrics for assessing global talent management effectiveness:

1. Attraction metrics: These measure the effectiveness of a multinational enterprise’s (MNE’s) ability to attract talent in every region where the company has operations. An example would be the level of diversity within a qualified applicant pool.

2. Development metrics: These measure the effectiveness of the MNE’s global talent development efforts. Examples include training participation rates, skills profiles, leadership pipeline health, and the percentage of promotions filled internally.

3. Retention metrics: These measure the effectiveness of an MNE’s talent retention efforts in its global operations. Examples include retention rate, employee engagement scores, and the percentage of high-potential employees retained.

4. Performance metrics: These measure the effectiveness of MNE’s talent in executing their roles. Examples include individual performance ratings, team performance ratings, and the percentage of employees meeting or exceeding their performance goals.

5. Mobility metrics: These are particularly important in a global context. Examples include the number of employees completing international assignments, repatriation success rate, and the percentage of leadership roles filled by those with international experience.

6. Diversity and inclusion metrics: These measure the effectiveness of an MNE’s diversity and inclusion efforts, especially as diversity is defined differently in various countries. Examples include the diversity of the workforce and leadership team and inclusion scores from employee surveys.

7. Succession planning metrics: These measure the effectiveness of an MNE’s succession planning efforts. Examples include the percentage of key roles with identified successors, readiness of successors, and the percentage of key roles filled by internal candidates.

difficulties in aligning GTM with MNE global strategy, and in controlling and integrating GTM across business units and subsidiaries; challenges around resource availability and deployment; managing a diverse global talent pool; and a lack of talent metrics (Farndale et al. 2014, Garavan 2012). Furthermore, Garavan et al. (2021) have pointed out that the cultural context—both organizational culture and the national culture of individuals—may influence the implementation, and therefore the success, of GTM programs.

The connection between GTM and organizational performance is not always clear or straightforward. Minbaeva & Collings (2013) advise that measuring return on talent should use talent analytics that combine subjective and objective, along with quantitative and qualitative, measures—at individual and organizational levels. The sidebar titled Global Talent Management Metrics shows several examples of metrics that can be used to assess the effectiveness of GTM.

Outcomes of Global Talent Management for Individuals

Although GTM literature has been dominated by a focus on the outcomes of GTM for MNE performance, increasing attention is being paid to the importance of outcomes for individuals. As Collings (2014, p. 301) has argued, employees are stakeholders in the MNE: “organizations that are defined by a sense of purpose and that prioritize employees as stakeholders generally have higher levels of alignment between organizational and employee goals with more highly motivated employees and ultimately more sustainable performance.” Similarly, Farndale et al. (2014)
advocate a mutual benefits approach to GTM based on psychological contract theory, where attention is given to the achievement of both organizational and individual goals.

A range of individual GTM outcomes have been identified in theoretical terms. Farndale et al. (2014) have identified numerous goals that individuals might seek to achieve via GTM, including psychological contract fulfillment, skill or career development, and opportunities for international relocation. Outcomes such as successful deployment, job performance, and retention of individuals identified via the talent pool may be viewed as examples of GTM benefits for both individuals and the MNE. Morris et al. (2016) posit that GTM should empower individual employees to make decisions, reward individuals based on their performance outcomes, and increase individual autonomy. Despite the potential for mutual benefits, it is widely recognized that in many cases, the goals or outcomes that benefit the individual may conflict with the goals of the employer: Talented employees are likely to stand out, making them attractive to competitor firms (Morris et al. 2016). Although the research is nascent, even when they do leave former employees can benefit organizations in numerous ways. For example, Somaya et al. (2008) found that leading US patent firms actually did more business with cooperators (i.e., companies that were potential clients or suppliers) after former employees moved to them. Departing employees moving to high-status competitors can also increase the prestige of the original employer (Tan & Rider 2017). Additionally, former employees may also return as boomerang hires who perform better than external hires, particularly in jobs requiring greater internal coordination and in contexts with greater internal resistance to external hires (Keller et al. 2021).

Although some studies conducted across different national contexts have found evidence of positive outcomes of GTM practices on individuals working in MNEs, the empirical evidence can, at best, be described as piecemeal. In Nordic MNEs, Björkman et al. (2013) found that GTM programs enhanced individuals’ commitment to job performance expectations, skill development, and organizational identification and reduced intention to leave the firm. In research with the foreign subsidiaries of South Korean MNEs, Li et al. (2023) found that positive perceptions of GTM contribute to organizational identification and knowledge-sharing among host-country national employees. Using data from an MNE headquartered in the United States, Bonneton et al. (2022) found that GTM practices had a positive impact on subjective and objective measures of employee career success. However, their results regarding employee turnover intentions were mixed, providing some support for Morris et al.’s (2016) postulation that talented employees are more likely to be highly sought after by competitors. Talent turnover is not always bad news, however; for example, alumni networks can maintain positive relationships with talented employees who leave the firm (Kehoe et al. 2023, Minbaeva & Collings 2013).

Delving further into the potential negative outcomes for individuals associated with GTM, the literature has identified several risks and failures linked to talent management in a single-country context, specifically regarding individual responses to exclusive talent management programs in which a small, selected group of employees are identified as “high-potential” talent (De Boeck et al. 2018, Tung et al. 2013). Where exclusive talent management programs select a subset of employees who are identified as talent, potential negative outcomes for those individuals might include fear of failure, increased work pressure, competitiveness among employees, and stress (e.g., Cooke et al. 2014). Concurrently, employees who have been excluded from such programs might respond with demotivation and reduced organizational commitment; Björkman et al. (2013) found significant differences between employees who are identified as talent and other employees, with the latter being less engaged.

Several scholars have suggested that more inclusive approaches to GTM that offer motivating opportunities for a diverse workforce will lead to better outcomes overall (Björkman et al. 2013, Bonneton et al. 2022, Farndale et al. 2014, Kaliannan et al. 2023), although Garavan et al.
(2021) have cautioned that inclusive GTM approaches may be associated with a different set of challenges. Stahl et al. (2012) found that many MNEs already use a hybrid approach with a combination of both exclusive and inclusive GTM practices. Future research could investigate MNEs implementing both inclusive and exclusive practices, particularly to build understanding of the boundary conditions for outcomes of GTM for individuals and MNEs.

**Outcomes of Global Talent Management for Societies**

Returning to nascent ideas from the above-mentioned MTM literature, although much of the focus of research on GTM outcomes has been inside the MNE, researchers have recognized that macroenvironmental factors like government policy about taxation, immigration, and visa bureaucracy will have substantial impacts on GTM, leading to societal outcomes such as national productivity, innovation, economic development, and country competitiveness (Khilji et al. 2015, Khilji & Schuler 2017). In this tradition, Farndale et al. (2021) have shown that MNEs interact with their contexts in multiple ways, and MNEs either could design their talent-sourcing approaches to meet the contextual constraints or might develop a network of stakeholders such as governments, educational institutions, and talent providers, with the aim of changing macro constraints. Multi-stakeholder networks could also be a particularly effective way to create inclusive talent pipelines that genuinely lead to diversity at the top of MNEs (Mellahi & Collings 2010, Metcalfe et al. 2021). Through such efforts, GTM practices could play meaningful roles in the way an MNE impacts host-country societies, particularly in emerging economies and with marginalized communities. Although at present such examples are ad hoc, the potential for developing strategic networks with multi-stakeholder approaches to GTM is significant (Stahl et al. 2020). Further research is needed to strengthen our understanding of the value and implications of multi-stakeholder approaches for MNEs, individuals, and societies.

Important questions about the impact of GTM on the broader society, beyond the MNE, remain. Such questions include the following: Does GTM contribute to social gains? What outcomes are meaningful for societies, as well as MNEs and individuals? What outcomes regarding social and environmental sustainability should be measured? To bring attention to societal outcomes of GTM, future research could broaden the definition of MNE performance from the traditional focus on MNE endogenous outcomes to include economic, environmental, and social sustainability outcomes beyond the MNE (Minbaeva & De Cieri 2015, Stahl et al. 2020). As has been discussed more generally with respect to international HRM, MNEs are under increasing pressure to demonstrate commitment to sustainability (Lazarova et al. 2023), and there is potential for GTM to contribute.

In summary, there is sound theorization and some empirical evidence that GTM can lead to positive outcomes for MNEs, specifically regarding organizational performance and sustainable competitive advantage, as well as positive outcomes for individuals. Although sophisticated conceptual frameworks have been developed and valuable insights have been gained in more than two decades of scholarly research on GTM, there is little evidence that MNEs are managing their talent effectively on a global scale (Cascio & Boudreau 2016, Collings et al. 2019). The links between GTM and outcomes are complicated by several challenges to be overcome, and the evidence base is still under development. A key conclusion of our review is that the empirical literature on GTM to date is limited by the failure to conceptualize and measure GTM outcomes at multiple levels and the narrow range of outcomes measured (Collings et al. 2019). Clearly, this along with the other areas associated with GTM are open for future research. Table 1 provides research questions that could be explored in GTM studies. We now turn to some emerging challenges that are likely to impact GTM practices in the future.
CHALLENGES AND EMERGING ISSUES FOR GLOBAL TALENT MANAGEMENT

There are many recently emerging work-related issues affecting GTM, such as labor shortages in particular sectors, the reliance on technology to collaborate, and the need to work from home. The health and economic crises of the COVID-19 pandemic are some of many disruptive forces we need to consider for the future of GTM, as these crises accelerated several trends and

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<th>Topic</th>
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| **Implementing GTM** | ■ What are the challenges of implementing GTM practices at subsidiary levels in different cultural and national contexts?  
■ What are the differences between the intended GTM practices at headquarters (HQs) and the actual implementation at subsidiary levels?  
■ How do subsidiary networks within the multinational enterprise (MNE) operate and influence the alignment of GTM practices? How does the interdependence and centrality of subsidiaries influence the GTM?  
■ What are the steps and challenges in the process of talent identification? How is talent identification integrated with performance management? What are the impacts of subsidiary leaders’ biases and HQ decision-making limitations on talent selection?  
■ What are the challenges around the relocation of employees as part of GTM? How does global mobility (the process of relocating employees from one country to another) impact the GTM? How do the employees’ capabilities and their placement within the MNE affect the success of the GTM?  
■ What roles can the human resources function play in facilitating GTM? What roles are most effective? What practices work best? Are there roles that have yet to be identified? |
| **Global mobility and GTM** | ■ How can integration between global mobility and GTM be improved? How does this integration impact MNE strategy and execution?  
■ How does the type of assignment (traditional, virtual, short-term) impact talent development and firm performance?  
■ How can the role of global mobility managers be expanded to include more talent-related decisions?  
■ How can organizations balance corporate return on investment (cROI) and individual ROI (iROI) from international assignments? How does this balance affect talent retention?  
■ How can MNEs better address the challenges associated with international assignments (e.g., relocation costs, visa restrictions)?  
■ How will advances in technology and environmental considerations reshape global mobility? How will this impact GTM and talent development?  
■ What specific skills and conditions are necessary for development to occur through international assignments? How can these be incorporated into GTM? |
| **The macro context of GTM** | ■ How do national and regional contexts impact the effectiveness of GTM?  
■ How do macrolevel factors interplay with firm-level factors in shaping GTM?  
■ How can MNEs effectively integrate local actors into GTM?  
■ What are the implications of the MTM perspective for emerging economies, with different demographic and socioeconomic contexts? |
| **Outcomes of GTM for MNEs** | ■ Is the link between GTM and MNE outcomes universal or contingent on contextual factors?  
■ Do GTM practices have a positive impact on MNEs’ ability to attract global talent?  
■ How does GTM contribute to the development of a global talent pipeline?  
■ How does the alignment of GTM practices with MNE strategy impact organizational performance?  
■ How can value creation and value capture within MNEs at multiple levels be measured in terms of GTM outcomes?  
■ Do GTM practices have a positive impact on MNEs’ ability to attract global talent? |
Table 1  (Continued)

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| **Outcomes of GTM for individuals** | ■ How does GTM influence employees’ commitment to job performance, skill development, and organizational identification? Do positive perceptions of GTM contribute to organizational identification and knowledge-sharing among host-country national employees?  
■ How do GTM practices impact subjective and objective measures of employee career success?  
■ How do individuals respond to exclusive talent management programs, especially those not selected as high-potential talent?  
■ Can more inclusive approaches to GTM that offer motivating opportunities for a diverse workforce lead to better outcomes? |
| **Outcomes of GTM for societies** | ■ How do government policies about taxation, immigration, and visas impact GTM? How do GTM practices influence national productivity, innovation, economic development, and country competitiveness?  
■ How does GTM contribute to macrolevel outcomes such as country productivity, innovation, and competitiveness?  
■ How can MNEs design their talent-sourcing approaches to meet or change macro contextual constraints?  
■ How does GTM contribute to social gains and what outcomes are meaningful for societies, MNEs, and individuals?  
■ What outcomes regarding social and environmental sustainability should be measured when considering the societal outcomes of GTM?  
■ How can the definition of MNE performance be broadened from the traditional focus on MNE endogenous outcomes to include economic, environmental, and social sustainability outcomes beyond the MNE?  
■ How can GTM contribute to social goals like inclusion, empowerment, and social justice? |
| **Challenges and emerging issues in GTM** | ■ How will the accelerated use of artificial intelligence and technology in talent identification impact traditional GTM practices? How will it change the ways we measure and develop global talent?  
■ How will the global trend of increased employee turnover, driven by changes in work-life balance and priorities, shape GTM’s retention strategies? How do these strategies need to adapt across different cultures?  
■ How does the shift to remote work impact the recruitment, identification, and development of global talent? What new approaches and strategies will be needed in this new work context?  
■ How will the desire of employees to work from specific locations impact global staffing models? What strategies should MNEs adopt to accommodate these preferences?  
■ What are the implications of an increasing need for digital and data analytics skills on GTM practices? How should MNEs adapt to ensure their global talent can meet these demands? |
Other, interrelated disruptive developments bring both gains and losses for MNEs and their employees. These developments range from the growth of remote/hybrid work, digitization of work and the growth of artificial intelligence (AI), environmental sustainability, and geopolitical threats, to changing individual values. In this section, we consider some key issues and the challenges they have had, and will continue to have, for GTM.

**Identification of Talent**

Talent analytics are becoming more sophisticated every year with the acceleration of technology, including AI related to GTM. Processes once undertaken by people are now being conducted through AI-powered tools. For example, for the past few decades, resume tracking systems have scanned resumes for keywords, identifying talent based on keyword matches. Today, these systems, far smarter, now examine qualifications in the context of candidates’ experience, providing a more nuanced assessment of people. AI is also evaluating talent by “reading” work output to create and analyze employee performance data. These data are being used for the once-human-based processes such as goal setting, talent development, and succession planning. However, such trends are not without challenge, and there have been several high-profile examples of organizations discontinuing candidate-screening tools, owing to concerns around trained bias in the systems as well as other challenges (Dastin 2018). A key challenge for GTM will be in monitoring the outcomes of AI-based tools to identify biases and inequalities resulting from the use of the tools and comparing their effectiveness to traditional methods (i.e., interviews, letters of recommendations) which also contain biases of their own. The move to more digital GTM solutions will require MNEs to invest in data analytics capabilities and to develop the skills needed to make data-driven decisions, and equally to evaluate such tools for bias and other challenges.

Digitalization also offers MNEs a different approach to organizing work into gig and project-based teams. Internal talent marketplaces—platforms that facilitate matching employees with certain projects or tasks on the basis of the employee’s skillset—are key in enabling this type of gig and project-based team organization (Collings & McMackin 2021). This change to a more agile workforce could also cause a shift in who is considered global talent, focusing more on portable skills and adaptability. It may also facilitate the staffing of global project teams with the necessary skills for critical projects. This change will require MNEs to rethink traditional GTM practices, such as performance management and compensation, and adopt new talent management approaches that support a more agile and skill-based workforce.

**Talent Retention**

In the initial months of COVID-19, people who were no longer commuting or leaving their homes for personal or professional reasons were given time to spend with family, pursue personal interests, and spend time outdoors. Across the same kitchen table, children taking online classes were sitting across parents in work meetings. For better or worse, the pandemic forced a closeness not previously experienced. The period was challenging, and anxiety inducing for many, and gave some the chance to reevaluate their life priorities. Between burnout and better opportunities to find better work-life balance, there was a global trend toward more people quitting their jobs (Tharoor 2021). During this period, more than half of employees considered leaving their current employer (EY 2021), and the phrase “Great Resignation” was coined.

This resignation trend, although global (Tharoor 2021), might affect GTM’s retention strategy differently depending on the cultural context (Allen & Vardaman 2021). Differences in employees’ cultural values (e.g., collectivism) might affect their motivation to remain in the global talent pool within a given MNE. MNEs might need to create a more nuanced approach to motivate and retain top talent (Lazarova et al. 2023).
Impact of Remote Work on Global Talent Management Practices

In early 2020, except for healthcare workers, first responders, and essential workers, most people—even if only temporarily—were affected by the need to work from home owing to the easily transmittable COVID-19 virus. What began as a health and safety response, remote work, and work from home specifically, has turned into a plausible approach to employment. It also appears to be desirable for many. Around the world, as the pandemic waned, skilled workers were still interested in seeking employment opportunities where remote work was possible (LinkedIn 2021). With respect to GTM, this shift relaxed the association between location and work, affecting the recruitment, identification, and development of global talent.

With respect to recruitment, MNEs, without the limitation of proximity, can now tap into an evermore global talent pool. According to a Harris poll commissioned by Express Employment Professionals (2022), 59% of hiring managers agreed that remote work has increased their access to talent and MNEs can recruit for the strategic capabilities needed for pivotal roles, regardless of the country in which the employees are located. Another report, by McKinsey & Company (2021), found that skills-based hiring has increased since the start of the pandemic, leading to a shift for GTM to a global recruitment approach.

Although remote work has created an opportunity to hire globally, it has also created concerns around the identification of internal talent and talent development. With respect to the identification of internal talent globally, remote work might provide fewer opportunities for current employees to emerge as global talent. Senior leaders may have fewer opportunities to observe employees directly and might not consider them as part of the global talent pool. This is less of a risk when technical and soft skills are observable in any context, including when working remotely. It also places those at greater distance from decision makers at greater disadvantage, as they may become even less visible. Concerns surrounding the obstacles in identifying women and other minority employees as high-potential employees have also been raised (Kehoe et al. 2023).

With respect to the development of global talent, a greater reliance on remote work means that skills will be developed and tested more in virtual and asynchronous contexts. However, those skills are also in flux and the pace of skills changes is relentless, making the challenge even greater. MNEs will first need to understand the skills profile of their current employees and then research how the skills demanded by work are likely to evolve in the future and to plan for these trends (Lazarova et al. 2023). Additionally, people learn from a diversity of contexts. Remote work limits the number of diverse experiences available, possibly limiting growth.

Limits to Global Mobility

MNEs are increasingly including business travel in their sustainability planning. This might result in some limits to employees’ air travel to achieve their environmental sustainability goals. We may also see greater expectations from employees to work in locations of their choice to reduce travel (Browne 2020, Prudential 2021). Factors like climate change, war, and pandemics could create a situation where global talent might demand opportunities to work in the location where they feel comfortable, fulfilled, and safe. The desire to “stay home” could curtail individuals’ willingness to relocate internationally and ultimately reduce the pool of global talent with international assignment experience (Collings & Sheeran 2020). This change has implications for GTM, challenging traditional models of global staffing, and will likely increase the need for GTM to recognize local talent able to bridge boundaries virtually (Lazarova et al. 2023).

Skills Needed in a Digitized Workforce

MNEs are facing real challenges in terms of ensuring that their talents have the skills and capabilities required to fulfill the organizations’ strategy into the future. An acceleration of the
digitalization of business models has had significant implications for the skills required by global
talent. Tasks once performed by knowledge workers are now completed through the intersection
between people and technology (e.g., AI, generative AI, robotics, and systems). For example, the
World Economic Forum (2020) predicts that by 2025, 85 million people might have their jobs
displaced by machines, with 97 million new roles that integrate a division of labor among humans,
machines, and algorithms. At the time of writing, generative AI systems such as ChatGPT have
recently been released and have raised significant questions around the future of work. They are
likely to accelerate the automation of much work, freeing up capacity for higher value work for
talent. A key question for organizations is how they can best manage the interface between such
technologies and employees to maximize value generation.

For global talent to stay current, digital literacy and data analytics are critical. Digital literacy is
the ability to effectively use the technology-based tools and systems required for a role or job (e.g.,
computer programs, software applications, and digital platforms). Data analytics uses technology
to examine data sets to uncover trends and explain phenomena. As most MNEs make data-based
decisions globally, analytical skills (e.g., interpreting data, identifying trends) are also important.
Talent teams will require data skills to currently understand capability within their organizations
and to undertake demand analysis to understand internal demand for skills and external availability
of these skills to aid in talent planning. Upskilling talent on rapidly changing systems and promot-
ing digital inclusion are essential for GTM because inequality related to digital participation exists
and could continue if not addressed (Peckl 2023).

We caution that despite the technology permeating almost every job, soft skills remain ex-
tremely relevant for global talent. Such skills can enhance the ability to communicate effectively
through various in-person and digital channels. This requires GTM to select and develop individ-
uals with both oral and written communication skills. Likewise, as teams become increasingly
more remote and geographically dispersed, the ability to work collaboratively remains critical.
Global talent will need skills to be effective on a multicultural team and will need to build trust
with people across cultures—both remotely and in-person. In **Table 2**, we summarize the practical
implications that we have identified for the management of GTM, across the areas of implement-
ing GTM, understanding macro conditions for GTM, integrating GTM and global mobility,
achieving GTM outcomes, and managing challenges and emerging issues in GTM.

**CONCLUSIONS**

This review aimed to coalesce the literature on GTM to highlight where consistency has emerged
and where research gaps remain. GTM is argued to be one of the most important drivers of
organizational success (Collings et al. 2019). This is because organizations with effective talent
management strategies are better able to attract, develop, and retain high-performing employees.
GTM is complex and nuanced: Owing to national, cultural, and functional issues, managing talent
across different cultures, languages, and geographies is challenging. Researchers and practitioners
alike need to continue to develop a deeper understanding of the cultural, social, and economic
factors that influence GTM outcomes. There is no “one size fits all” approach to GTM. Organiza-
tions need to adopt a flexible and adaptive approach that considers local cultural and economic
conditions.

To be effective, GTM practices should be closely aligned with the MNE’s strategy. This means
that organizations need to identify the talent capabilities most critical for achieving their strategic
objectives and develop GTM practices to create a pipeline of talent who can execute on these
goals. Clearly, more work is needed to ensure that GTM practices deliver on their promise of
strategy execution to, in turn, achieve positive organizational outcomes. Technology—an enabler
<table>
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| Implementing GTM | ■ Align multinational enterprise (MNE) strategy, GTM, and human capital composition to enhance organizational performance.  
■ Align GTM practice implementation across the organization, while considering the network position (central or distal) of relevant subsidiaries and their capacity to implement GTM practices created at headquarters (HQ).  
■ Consider the multiple roles of the human resources function in implementing GTM.  
■ Align talent identification and performance management.  
■ Create conditions that facilitate sharing of top talent across organizational units.  
■ Be deliberate in nurturing diverse talent pools. |
| Understanding macro conditions when implementing GTM | ■ Consider national context when implementing GTM practices developed at HQ and adapt them to the unique national contexts in which MNEs operate.  
■ Consider both firm-level and macrolevel factors to enhance talent management practices.  
■ Consider all actors that shape talent in their respective countries (governments, nongovernmental organizations, community networks, etc.).  
■ Beyond focusing on organizational productivity and economic gains, strive for inclusion, empowerment, and social justice in the MNE’s GTM practices. |
| Integrating GTM and global mobility | ■ Use GTM to promote talent from around their global network into key positions.  
■ Use global mobility to relocate employees for the opportunity to gain critical skill sets and experience.  
■ Use shorter and virtual assignments to offer employees valuable international experience and the chance to fill pivotal roles.  
■ Use international assignments to develop global talent by immersing them in a new culture and teaching them how to be effective global leaders.  
■ Integrate global mobility managers into talent-related decisions such as selection for international assignments.  
■ Plan for and manage practical contingencies that can affect whether an international assignment is offered and accepted.  
■ Plan for advances in technology and a focus on sustainability that may result in more virtual assignments. |
| Achieving GTM outcomes | ■ Measure the outcomes of GTM in terms of value creation and value capture within the MNE at multiple levels.  
■ Use talent analytics that combine subjective and objective, along with quantitative and qualitative, measures—at individual and organizational levels.  
■ Utilize GTM to attract and retain a diverse and inclusive workforce that is available, ready, and willing for the MNE to deploy.  
■ Utilize GTM to nurture culturally diverse management teams with the capabilities to deal with global complexity and specific local demands.  
■ Recognize and plan for challenges in implementing GTM. |
| Managing challenges and emerging issues in GTM | ■ Stay on top of developments in technology and artificial intelligence, invest in data analytics capabilities and tools, and continuously develop skills that allow making data-driven decisions.  
■ Plan for the ongoing increase in remote work practices and consider implications for access to a global talent pool and the impact on opportunities for employees to emerge as global talent.  
■ Create nuanced approaches to motivate and retain top talent, by adapting GTM to local contexts and preferences, taking into account demographic and cultural differences.  
■ Understand changes in employee preferences for work and travel and their broad implications for MNE operations.  
■ Ensure that employees have the requisite digital skills as well as soft skills like communication and collaboration. |
of GTM—is also rapidly changing and has the potential to more closely align GTM and organizational strategy. With GTM, technology will continue to be used to support virtual collaboration, training, and development, and to enable talent analytics and data-driven decision making. We are certain GTM will continue to be instrumental for organizational success, and HR in MNEs will remain focused on developing GTM practices that will effectively create strategic alignment within the complex and rapidly changing global environment.

**DISCLOSURE STATEMENT**

The authors are not aware of any affiliations, memberships, funding, or financial holdings that might be perceived as affecting the objectivity of this review.

**LITERATURE CITED**


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Errata
An online log of corrections to Annual Review of Organizational Psychology and Organizational Behavior articles may be found at http://www.annualreviews.org/errata/orgpsych