

Analytical view of global talent mobility in current time

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Abstract: The business world is in the midst of fundamental change and in 2020 and beyond, the ability of organisations to manage their global talent efficiently will mark the difference between success and failure. Mobility is evolving, but this greatly increases the complexity of managing a global mobility programme that may involve a diverse selection of approaches and in an environment where organisations need to move talent quickly, as well as monitoring the risk and compliance, costs and return on investment. This paper deal with global mobility of talent, describes differences between traditional mobility and modern mobility, answer for important question: where can we find talents and characterizes challenges which brought by modern mobility.

Keywords: globalization, international mobility, talent, global mobility.

JEL Classification: M1. M12.

1. Introduction

International mobility has grown tremendously with the increase in the globalisation of companies and the opening up of world markets. Companies are facing a growing demand on their resources in order to manage a transient workforce at every level of the company. The management of international mobility is no longer a question of sourcing an airline ticket, a hotel and an expense account. Companies are requiring more flexibility from their employees as they increase their cross border business. These missions are often critical to the success of projects as they involve a transfer of key skills, experience, management and knowledge. Companies must assess the overall value of the assignment and provide suitable investment in the relocation management to ensure its success. One of the major obstacles in international recruitment is the lack of knowledge with regard to the global labour market. Where do you find the talent and will employers be able to reach and move them internationally? (Roobol, Oonk 2011).

2. Literature review

Talent mobility is the movement of talent to where it is needed most and understanding the opportunities for leveraging key skills and knowledge beyond organizational boundaries. In a nutshell, Talent Mobility according to Patil (2011) is about making the pivotal talent as a corporate asset and making it available for the most critical business initiatives while taking into account career interests of the employee. Talent mobility is a strategic initiative that helps companies to optimally leverage their organizational talent pool to fuel business growth. It enables organizations to build deep skills in the areas that matter most to their business objectives. It helps companies build a strong leadership pipeline for management and professional roles that are critical for growth. For example, a critical role for a rapidly growing retail Company could be “store manager” and a critical role for a rapidly growing bank could be a “teller”. Talent mobility allows companies to eliminate huge disruptions resulting from loss of talent at a critical position by creating an organization-wide talent pool, developing successors and quickly backfilling the critical position. More importantly, Talent Mobility engages and retains your key employees by making organization-wide career opportunities available to them (Patil 2011). The author characterizes seven easy steps towards achieving talent mobility:

1. Get visibility into pivotal talent.
2. Conduct Company-wide talent reviews.
3. Map talent with business needs.
4. Identify critical positions that impact the business.
5. Map and factor in employee aspirations.
6. Analyze the talent with tools such as 9-box and side-by-side comparison.
7. Develop leaders internally when successors are not ready (Patil 2011).

Global mobility of talent is becoming as critical as the global mobility of goods and capital, according to a recent report from the World Economic Forum. The point here is that talent mobility is not the only answer. Along with education and innovation, it's one crucial component of a long-term approach, that will take careful planning and new thinking on the part of both policy-makers and business leaders. The economic potential of globalisation is ultimately dependent on the international mobility of highly talented individuals that transfer knowledge, new technologies, ideas, business capacities, and other creative capabilities. Global business and modern mobility needs are forcing human resources to focus on 3 complex issues:

- *supporting mobility decisions,*
- *managing programme costs,*
- *and ensuring compliance requirements are met.*

And there is also the need to develop well-rounded leaders for the future who have international experience and competencies. As highlighted in the PwC report, diverse mobility solutions are already developing according to the latest business needs and they include:

- **Short-term assignments:** less than 12 months with generally lower mobility costs.
- **Project based assignments:** temporary or frequent assignee visits.
- **Commuting and extended business travel:** assignees work in a location without relocating.

- **Intra-country mobility:** the transfer of skilled workers from one country region to another.
- **Rotational employee programme:** the development of high potential employees.
- **Reverse transfers:** talent from emerging markets are moved into developed markets to gain experience and skills.
- **Global nomads:** experienced specialists constantly on the move to meet business needs with no expectations to return to the home country.
- **One-way relocation:** permanent relocation of key managers and their families.
- **Contingent labour:** specialists deployed at short notice to meet an immediate business need.
- **Virtual mobility** (mobility without moves): the use of technology to communicate globally across time zones (Wilson, Snowdon 2013).

Nurvey et al. (2012) describe differences between traditional mobility and modern mobility (Table 1). Catalysts of changes are globalization, organizational complexity, demographic changes and cost pressures.

Table 1 Differences between traditional mobility and modern mobility

Traditional mobility	Modern mobility
Transactional	Strategic
Focused on costs	Focused on value creation
One size fits all	Segmented by talent type
And island within human resources	Connected to human capital an business goals

3. Discussion

Global mobility will play a key role in solving the labour availability conundrum. As country-based multinationals evolve into global multinationals, we will see a bedrock change in how and where business gets done that will have numerous ramifications globally for companies, employees, their families, and the marketplace. We believe the war for talent will continue to be the major human resource issue to 2020, when the people pipeline looks to be the most crucial variable separating winners and losers in the marketplace. Companies may go to creative, perhaps even extreme, lengths to secure and retain talent and knowledge as their existing workforce ages (Global talent mobility 2020, The next generation of international assignments 2010, p. 6). The most important question is: *Where can me find your talent?* Knowing where to find the right talent for our company is a good starting point. Chart 1 and Table 2 below indicates the places where you can find people with specific occupational backgrounds (Roobol, Oonk 2011).

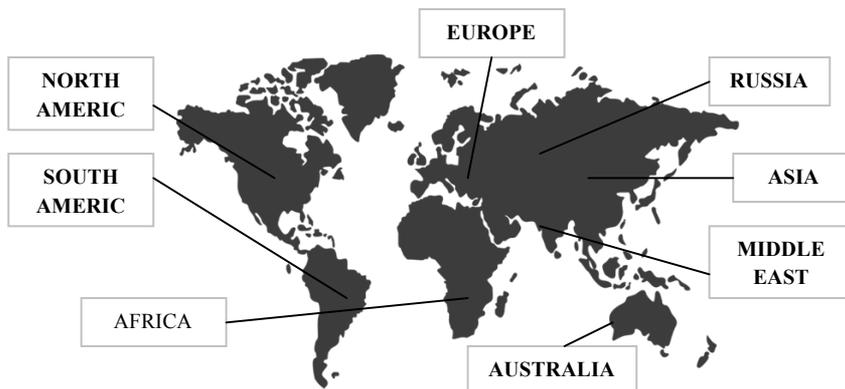


Chart 1 Distribution of talent in the world

Chart 1 and Table 2 indicate that talented workers are spread across the world, with each continent having an above-average representation of people in specific occupational areas. Europe, for example, houses an above-average share of people working in manufacturing, transport & logistics, administrative support, IT or research & development. In North America employers can find talented workers in health & medicine, education & training, administrative support or marketing. In South America one can find people in finance, health & medicine, transport & logistics or general management. The labour force of Asia is characterised by people working in sales, engineering & technology, banking, IT, human resources or general management. Russia houses people employed in IT, manufacturing, marketing or finance. In the Pacific region, like Australia, people working in accommodation, transport & logistics or manufacturing are above-averagely represented. The largest share of financial workers can be found in the Middle East. Here, people working in banking, general management or finance can be found. On the African continent, we observe an above average representation of people employed in either banking or manufacturing (Roobol, Oonk 2011).

Table 2 Distribution of talent in the world according to occupational area

Europe 1. Manufacturing, Building and Manual work 2. Administrative support and Secretarial 3. Transport and Logistics	Russia 1. IT/ICT/Automation 2. Manufacturing, Building and Manual work 3. Finance Administration and Auditing
North America 1. Health and Medicine 2. Education and Training 3. Administrative support & Secretarial	Asia 1. Sales 2. Engineering and Technology 3. Banking, Finance Services and Insurance
South America 1. Finance Administration and Auditing 2. General Management 3. Health and Medicine	Middle East 1. Engineering and Technology 2. General Management 3. Accommodation, Catering and Tourism
Africa 1. Engineering and Technology 2. Finance Administration and Auditing 3. Manufacturing, Building and Manual work	Australia 1. Transport and Logistics 2. Accommodation, Catering and Tourism 3. Manufacturing, Building and Manual work

At present many surveys deal with issues global talent mobility, the future of modern mobility, solving the talent mobility with emphasis on implications for global mobility managers and other.

One of the surveys answers the question *How eager are people to work abroad and in what direction will they move?* People's willingness to work abroad varies widely from continent to continent, with favourite destinations emerging within each country polled.

Chart 2 demonstrates the international job seeking behaviour of people in different regions of the world and shows that people living in Australia are most willing to work abroad, with 87 percent expressing a desire to move continent. Jobseekers in Africa aren't far behind, with 86 percent stating that they would like to move abroad. This is sharply contrasted by the number of people in North America looking to move, with only 52 percent searching for work abroad. South America fares only slightly better, with 57 percent looking for an international move, while Europe, Asia and Russia post figures of 71, 68 and 61 percent respectively. Interestingly, while North Americans are the least likely to move abroad, they are the most willing to move within their own country for a new job.

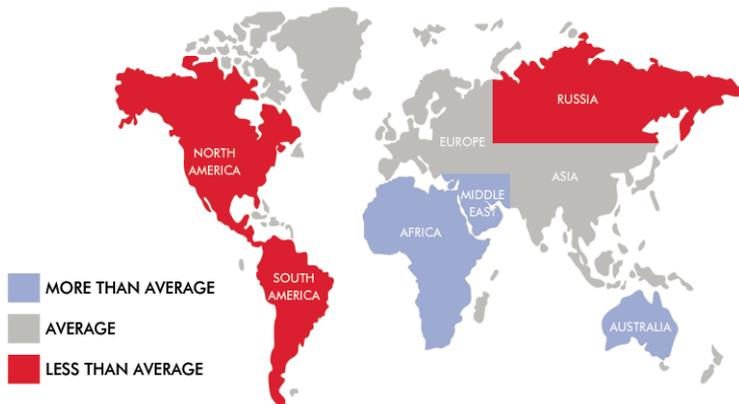


Chart 2 Willingness of people to work abroad in different regions of the world

The publication under the title „Talent mobility 2020“ points to the key finding of report about global talent mobility:

- Report predict a further 50% growth in assignments by 2020. There will be more assignees, more business travel, more virtual tools, and especially more quick, shortterm, and commuter assignments.
- The growing importance of emerging markets will create a significant shift in mobility patterns, as skilled employees from emerging markets increasingly operate across their home continent and beyond, creating greater diversity in the global talent pool.
- Mobility strategies will need to become more sophisticated and complex as organisations meet growing deployment demands, while simultaneously managing the very different needs and expectations of three generations of workers.
- Governments and regulators will accept the economic benefits of talent mobility to stimulate economic growth. This acceptance will lead to greater collaboration between governments and businesses, and within the business community, to remove some of the barriers to mobility around the world.
- The millennial generation will view overseas assignments as a rite of passage, an Outlook that will change the way workers and organisations approach overseas opportunities in the future.
- Organisations will adopt “destination pay and local plus” remuneration methodologies as compensation levels across some skill sets and industries will begin to harmonise across the globe.
- Technology will play a key role in global working arrangements and help to support compliance obligations; however technology will not erode the need to have people deployed “on the ground”.

Forward-looking businesses are developing a more agile and strategic approach to mobility, while ensuring they have the strong operational foundations to deliver against their goals. However, a strong mobility strategy and operations function alone might not be enough. Both of these must exist within an organisational culture that fosters, encourages, embraces and rewards international mindsets and experience. Put simply, creating a culture of mobility is critical. To develop a culture of mobility, it’s vital that members of senior leadership have the right attitudes towards global mobility. There must be buy-in from the top to the fact that mobility plays a critical role in creating value for the business and moving it forwards. In combination with this, the workforce must understand that developing internationally focused competencies is a critical requirement for effective day-to-day delivery and career advancement in the organisation. Successful employers will be those who create a culture that clearly articulates an expectation of international mobility to their employees; visibly share the positive international experiences of past and current assignees; ensure their international opportunities are transparent; and actively seek out opportunities to increase their number of mobile employees, particularly women. In combination, these steps will instil an organisational culture of international mobility that is gender-inclusive to all talent (Modern mobility: moving women with purpose, 2016).

For an international employer to create a global mobility programme that is both effective and gender-inclusive in today's modern work world, it's critical that the mobile readiness of their workforce is understood. As a formal process, assessing mobile readiness is much less prevalent in organisations with less than 10,000 employees, of which only 4% track mobile readiness for their key talent populations and 10% for all their employees.

As many world populations age, birthrates in most mature economies are trending downward. Many Western economies cite declining birth rates as a major problem in the war for talent. Yet China, India, Eastern Europe, and parts of South America are also grappling with critical talent shortages. Russia alone faces an estimated reduction of approximately 20 million working age people by 2030. The UN anticipates that China's working-age population (those aged 15-59) will fall behind Vietnam's in 2020 and lag behind India and Brazil in 2025.

The business world is changing rapidly and this has transformed the way the global workforce is sourced, organised and managed. Knowledge, trade, technology, capital and goods are more globally connected than ever before. Explosive growth in emerging markets is creating a huge increase in the number of employees working outside their home location and critical shortages in talent in specific markets and disciplines have pushed mobility up the boardroom agenda. But this isn't mobility as it's been understood in the past; this is modern mobility and it brings its own unique set of challenges:

- **More mobility – but not as we know it.** Assignee levels have increased by 25% over the past decade; we predict a further 50% growth in mobile employees by 2020. But the era where assignments meant a three or four-year relocation followed by a return home is coming to an end. New forms of global mobility have developed in response to business demands and employee preferences, many of which don't involve relocation at all.
- **New talent, new destinations.** The growing importance of emerging markets has created a significant shift in mobility patterns. Skilled employees from emerging markets are increasingly in demand at home and abroad. Domestic multinationals are increasingly attractive to local talent. Delivery of the mobility experience and the underpinning career promise (or 'deal') will become more critical in the future as new, unfamiliar and often less desirable locations come into play.
- **Giving people what they want.** Mobility opportunities are now recognised as a key element in attracting, retaining, developing and engaging talent. This is particularly true of the millennial generation; 71% say they want and expect an overseas assignment during their career. But as the workforce becomes more diverse this inevitably affects global mobility strategies. The number of female assignees, for example, has doubled in the past 10 years from 10% to 20%. The preferences and expectations of mobile employees will have to be carefully managed in the next decade.
- **Bringing down the political barriers.** Businesses need to move and deploy people quickly, but tax, social security and immigration requirements often stand in their way. Politics and political unrest are constantly shifting the barriers to mobility and any global mobility strategy needs to be nimble enough to react quickly to changes. By 2020, governments and regulators will need to accept the economic benefits of talent mobility to stimulate economic growth. This acceptance smooths the way to greater collaboration between governments and businesses to remove some of the barriers to mobility around the world.
- **More sophisticated programmes.** As we look forward, mobility strategies will need to be more sophisticated to deal with growing deployment demands, while simultaneously managing the very different needs and expectations of three generations of workers. The best mobility strategies will be agile, adaptable and constantly evolving to meet the specific requirements of the business and different groups of employees.
- **Powered by technology.** Technology will play a key role in global working arrangements and help to support compliance obligations; however, technology will not erode the need to have people deployed 'on the ground'.
- **Mobility functions rising to the challenge.** The pressure on HR to provide evidence and insight to support mobility decisions and to manage programme costs will only increase in the future, and this means developing a predictive way of thinking – and embracing the analytical techniques that support it (www.pwc.com).

4. Conclusions

Talent mobility is here, concept is becoming widely acknowledged by large multinational organizations as a collaborative effort between many stakeholders to achieve business results. Global mobility is evolving to address many talent objectives. Future view for global talent mobility in 2020 is as follows: global mobility continues to grow in volume, within the context of closely aligned international regulatory frameworks, the growth of cross-border acquisitions by sovereign wealth funds, lingering public investments in private business concerns, greater security co-operation between nations, and information technology that can identify and connect talent in an instant, global

mobility becomes part of the new normal. Mobility of talent is fluid. For example, a Chinese company may engage a European team to manage an investment in Africa. In the Human Age, companies must align their talent strategies with their business strategies to ensure that they have the right people in place to grow and succeed. Business leaders must rethink old assumptions about work models, people practices and talent sources. They can expand their internal talent pools via retraining or by reaching into pools of talent with skills adjacent to those in demand. But they should also figure out how talent mobility programs can support their business goals.

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