Talent Management and the Cultural Influences on Human Resource Management Processes

A comparison on HRM practices between companies from Sweden and Romania

Master thesis in Management
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Abstract

The purpose of the present paper is to identify if there are any differences or similarities in talent management practices in companies from Sweden and Romania. Since previous researches argue that organizational and national cultures have an impact on talents, this viewpoint was taken into account in this paper throughout different theories. The research is based on a survey conducted on four international Swedish companies and four Romanian ones where data was collected through a self-completion questionnaire. It has been confirmed that companies from both countries are familiar with talent management on the three main processes of human resource management (recruitment, selection and retention), but some differences and similarities in their practices were found. Though, it seems that companies from Romania have not developed human resource management so far as have the Swedish firms. Furthermore, the national culture demonstrated once again that is influencing the organizational one, thus affecting the human resource management, and also talent management as part of it. However, the companies investigated have different approaches on this matter. A talent management mindset is also perceived as being more common in the Swedish companies than in the Romanian ones. Unfortunately, the sample size was not large enough in order to tag this situation as generally valid for these countries.

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INTRODUCTION

1.1 BACKGROUND

According to many researchers human resource management (the term will be abbreviated as HRM) has become an important part of any organization nowadays. Globalization is today a fact and from many points of view one of the main pillars of any company with international activity. Furthermore, talent management (the term will be abbreviated TM) as part of HRM is also a hot topic in discussion and organizations’ fight on talents seems to be stronger and tighter, making the difference between winning teams. However, since many countries have opened their borders for external workers, it might be useful to take a closer look on which competencies are needed in order to face the competitions and of course to be able to be employable.

I consider that my personal example is a relevant one in this matter. For instance, after I had been working for almost ten years in my native country, Romania, I decided to take a step forward and to accept new challenges. Thus, I decided to move in Sweden. But what happens then? Firstly, you might be challenged by a new language that you need to learn and to accommodate to a new culture, secondly you might be challenged by searching for a job which fit the experience and educational background and which should fulfill the personal demands, or to search for another new job that supposed new knowledge, competencies, understandings, etc. Consequently, this thesis is part of my master program where its objective, as it is presented in the next point, is to find out the practices of working with TM in HRM and in the same time the possible differences or similarities on the three processes of HRM in firms from these two countries.

Additionally, the organizational culture and national culture are two important aspects that can answer many questions for persons who are generally interested and looking for new alternatives of working abroad. In this paper the initiative is focused on the examples of Sweden and Romania. In other word this research is interesting from the perspective that it compares two different countries in Europe.
1.2 PURPOSE

The aim of this paper is to explore the new part of Human Resource Management that has gained importance lately, i.e. Talent Management. In fact it is about how different organizations from Sweden and Romania deal with this concept, TM in all the three main steps of human resources: recruitment, selection and retention. It is also interesting to find out if there are some differences or similarities related to these processes. Furthermore, a key point is to identify which are these competencies that organizations are looking for and which kind of programs firms have for developing international leaders.

Given the fact that historical events could influence the management style, differently in different countries especially in human capital, the research will focus on analyzing TM from the organizational and national perspective. Furthermore, the new era of technology involved in almost all the activities of HR today, which make communication, information and moving much easier than before, could be a factor of geographical differences of talent management. Since previous research argue that national culture influence the organizational one, by using Hofstede’s theory about the cultural dimensions, I try to find out which are those differences between these two European countries and how it affect the organizational culture.

In order to find answers on the thesis objective the following research questions are defined:
1. Which are the practices of working with TM in HRM in Swedish versus Romanian companies?
2. Are there differences or similarities on the three main processes of HRM in Swedish and Romanian companies?
3. Does national culture influence the organizations in manners which impact HRM and TM ways of working?

1.3 DISPOSITION

In the first chapter, the purpose of this research is presented as well as other background information. Chapter two includes the literature review, whereas in chapter three the method approach is described. The empirical findings can be founded in chapter four and the analysis of these is presented in chapter five. The research end with the discussion section describes in chapter six.
2 THEORY

In this chapter, the relevant literature that other researchers have previously exposed related to the subject of this paper will be presented. Firstly, the HRM and IHRM will be defined, followed by the theory about Talent Management and different concepts related to this. Secondly, the notion of culture is also approached with focus on cross culture and organizational culture.

2.1 HUMAN RESOURCE MANAGEMENT

"Human resource management is the organizational function that deals with recruiting, managing, developing and motivating individuals, including providing practical and specialized support and system for employees’ engagement and managing systems to foster regulatory compliance with employment and human rights standard”, according to Strandberg Consulting (2009). Also, HRM is a distinctive approach to the management of employees, and Storey (1995, p. 5) considers that by using a selection of cultural, structural and personnel methods, HRM strives to accomplish a competitive advantage through the tactical distribution of the talented employees. Employees are not seen as a cost to be managed, rather as an asset to be developed - a key stakeholder of the company. The aim of HRM is to use practices that assist in the development of innovative, flexible and committed employees. These practices are built on the belief and evidence that human resources provide firms with a competitive edge, argues Pfeffer (1998).

2.2 INTERNATIONAL HUMAN RESOURCE MANAGEMENT (IHRM)

2.2.1 Defining international HRM

The scholars consider that international human resource management refers to those activities undertaken by an organization to effectively utilize its human resources. Amongst others, these activities include:

1. Human resource planning
2. Staffing (recruitment, selection, placement)
3. Performance management
4. Training and development
5. Compensation (remuneration) and benefits

The countries involved in IHRM are categorized as following:
- the host-country where a subsidiary may be located;
- the home-country where the firm is headquartered;
- ‘other’ countries that may be the source of labor, finance and other inputs.

In addition, there are three major categories of employees of an international firm:
- host-country nationals (HCNs);
- parent-country nationals (PCNs);
- third-country nationals (TCNs) (Ibid, p. 5).

Source: IHRM, Dowling, Festing & Engle (2008, p.5)

Morgan (1986) used by Dowling, Festing & Engle, (2008, p. 5) defines international HRM as the interaction among these three dimensions in the above figure – human resource activities, type of employees and countries of operation. We can see that in wide terms, IHRM involves the same activities as domestic HRM (e.g. procurement refers to HR planning and staffing).

2.3 TALENT MANAGEMENT

According to Schuler, Jackson and Tarique (2011) twenty years ago, international companies faced a major risk in their field of activity, as the request of talented employees was higher than the employment market had to offer, resulting in lack of global talents.

Accordingly, ‘talent acquisition, retention and management’ became a key expression (challenge) in global business. The interest in this challenge came to be embraced with the label of ‘global talent management’ (Ibid, p. 506). Tansley (2011, p.266) mentions also that there has been considerable research undertaken on talent management but ‘people are
rarely precise about what they mean by the term ‘talent’ in organizations and the implications of defining talent for talent management’.

2.3.1 Defining the Talent Management

”There is no shortage of talented people in the world; but there is a shortage of the right people in the right place” emphasize Evans, Pucik & Björkman (2002, p.257). According to the Oxford (2012) dictionary, talent is defined as "natural aptitude or skill". Natural is also defined by Oxford as "existing in or derived from nature". Aptitude is "a natural ability or inclination" while skill is defined as "the ability to do something well", Ibid.

It seems to be difficult to formulate a right definition for talent management and according to Lewis and Heckman (2006), ”TM has no clear meaning”. However, a more complex definition of TM is given by Evans, Pucik & Björkman (2002, p.258) as ”deliberate actions to attract, recruit, develop, and retain those individuals who, individually or collectively, have the capability to make a significant impact on the results of the firm, and whose skills are firm-specific”.

Furthermore, Scullion, Collings & Caligiuri (2010) point out that the topic of talent management was broadly accepted as a very significant activity in the practitioner’s community but have not got importance in the advisers’ early work. Also, Höglund (2012) indicates in his article that there is a lack of empirical contributions and research regarding talent management area. In addition, Höglund (2012) points out that TM is a recent notion in the field, therefore many larger companies have had introduced methods and procedures for working with TM, and it can be a relevant source for funding different tactics.

Lewis and Heckman (2006) used in Scullion, Collings & Caligiuri (2010, p. 105) identified three key streams of thinking with regard to what talent management is. Hence, the first stream appear to replacing the label talent management for human resource management and limiting the focus to particular HR practices such as recruitment, leadership development, succession planning etc. The second stream highlights the development of talent pools, while the third one concentrates on the management of talented people.

Duttagupta (2005) argues in her article that not all the employees are talented, thus TM is about the few, not the many. It is also about developing key persons as leaders and role models for others. She also presents a TM model which contents few steps that should be taken into consideration by companies. Accordingly, the model illustrates that business strategy and the impact on business result have a direct interaction with talent strategy.
through the talent management system (identifying, recruiting, selection and develop and rewards and retention).

2.3.2 The importance of Talent Management

Nowadays, TM requires a high degree of attention from three internal stakeholders: top management, the HR functions and line managers. The notion of TM transformed the agenda of CEOs from different types of corporations, since they spend approximately 30-50 percent of their time in talent management, according to The Economist Intelligence Unit report. For instance, in 2006 the same source reported that seven in ten corporate leaders spend around 20% of their time on TM activities. Additionally, TM became so significant that companies are forced to go where talent is and organization’s performance seems that becomes increasingly dependent on the skills of its employees.

Moreover, companies are forced by the global competition and demographics changes not to limit themselves only to the western countries, but on the contrary to pay attention to globalization and to individuals who are increasingly mobile as the Internet open access to more career opportunities Evans, Pucik & Björkman (2002).

2.3.3 Global Talent Management (GTM)

Globalization in Schuler, Jackson and Tarique’s perspective (2011, p 507), is a ”concept that people use when referring to many different phenomena”. The companies around the world face many major talent challenges in the present competitive global environment which have a high impact. With the goal of having a balanced workforce in rapport with the companies’ necessities in the short and long term, there is a concern about how to find the suitable talent at the proper place and the right value, during all economic circumstances and furthermore in Ibid (p. 507).

In accordance with Scullion, Collings & Caligiuri (2010, p.106) GTM consist of ”all organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in the most strategic roles on a global scale”. They also consider that 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”. With regard to those activities that GTM should include Evans, Pucik & Björkman (2002, p.264) exemplifies the following:

- Ensuring that global talent considerations are taken into account early in the strategy formulation process, and translating business strategy into talent strategy.
- Forecasting supply and demand for talent worldwide using workforce planning and simulations.
- Diagnosing gaps in organizational capabilities and taking measures to fill them.
- Developing and updating global process in attraction, recruitment, induction, career development and training, performance management and retention, ensuring that they are employed by local units.
- Ensuring internal consistency between TM processes worldwide.
- Building a talent mindset by making sure that development discussion, succession planning, performance differentiation and mentoring are part of the priorities of line management throughout the global organization.

In McDonnell et al (2010) article we find out that TM has a great meaning among MNE’s for three reasons. Firstly, because it is the acknowledgement that internationally competent managers represent a significant component of international business accomplishment, secondly, because it has been more and more difficult to find and retain managerial talent that can manage organization’s international activities, and thirdly, because internationally operating companies require more demanding and more multifaceted operations than in domestic ones. However, a good global leadership would be the type of leadership that can bring all individuals from different cultural context together. This feature is very important since the social variations in culture have an impact on the desired and the actual leadership and the persons’ values and behavior (Jackson and Parry, 2011).

2.3.4 Areas of talent management to firm operating across border

Organizations entail a shared and consistently opinion of what talent they are looking for and want to retain. An essential element of TM is about leadership development and all the company interested in TM should have different programmes that fit organizational purpose with individuals desires for career, notices Duttagupta (2005).

As mentioned earlier three main areas are common in TM as in HRM as well: recruitment, selection & assessment and retention. Hence, in the following three sections, a description in details of each of these areas can be found.
2.3.4.1 Managing Recruitment

According to Evans, Pucik & Björkman (2002, p.269) recruitment process is defined ”as the practices and activities carried out by the organization with the primary purpose of identifying and attracting potential employees”. Besides that, Duttagupta (2005) indicates that if the recruitment is an effective process, than the retention one will be also effective. So, it can be understandable that it is essential to start with a good recruitment strategy. She emphasizes also that ”companies where career advancement is based on talent more than tenure and age will compete most successfully in their markets” (Ibid, p.5).

However, in accordance with Evans, Pucik & Björkman (2002), there are different ways of recruiting talents, as for instance: relationships with local universities; internships; contest, competitions and fellowship; employee referrals; internet; advertising; professional recruiting firms and agencies.

The effectiveness of different recruitment methods varies with the national culture, besides that a special role is played by global employer branding. If the company has the reputation as an employer of choices, it might easily select appropriates candidates. Firms which think about the candidates as customer and use analytical techniques, segmenting the talent market and creating a distinctive image, will attract the right people (Ibid). The same authors point out that in general companies should take a closer look at what employees value e.g.: the rewards as part of the salary package, the attribute of the job, the features of the company and the organization’ leadership image. In order to know how the companies go about talent recruitment, managers must first identify what talent the organization is seeking by investing enough time to reflect if they hire the right talent, and secondly it seems common that hiring for many times is an emotional process, based on few interviews where the hiring manager tries to find out if the person will fit well in the team.

Tulgan (2001) argues in his article that organization should have make use of a fluid talent pool. Managers in the new organization’s structure are not recruiting key persons without knowing them from inside, who come from the core group. But in fact no one is part of core group without being inside for a while. However, this depends from one company to another. That is why is important to exist a fluid talent pool. ”One really good person is worth many mediocre people. Really good people can do things (very well and very fast) that add real value to your bottom line, and they know it, so you had better learn how to do business with them " Tulgan (2001, p. 38).
2.3.4.2 Managing Selection and Assessment

According with Evans, Pucik & Björkman (2002, p. 275) ’’selection involves identifying the most suitable person from a pool of candidates- internal and /or external’’. Selection is a major process in an organization together with performance management. Nonetheless, selection and assessing are closely connected to the management of gender, ethnicity, religion and other forms of diversity.

There are different methods of selection which vary from one culture to another and some of these are: interviewing (more or less structured), testing, assessment centers and the role played by the HR manager versus the line manager.

2.3.4.3 Managing Retention

An increasing awareness of inevitable demographics is creating a greater urgency for HR professionals to focus more attention and energy on retaining talented employees and keeping them actively involved in their work. ”Employee retention is king. And employee engagement is not far behind’’ highlight Frank, Finnegan &Taylor (2004). Attrition rates vary geographical by country, one region of the world to another but however, depending firstly on supply and demand. After HR went through to a recruitment and selection processes to identify the best suitable people, spent time, money and energy by training them, it might happen that some of them stay and others leave the organizations.

The scholars highlight that there are multiple reasons why people leave a firm. As, Evans Pucik & Björkman (2002) consider, there are four important possible causes of attrition:

- **Compensation** - most of the employees state on the exit interview that the reason for changing company is a higher wage package. On the other hand, HR professionals point out that there are other reasons also. In some countries e.g., there are different constraints that an organization can make use of in order to discourage resignation, especially if they offered training support or education.

- **The quality of the relationship with the boss** - there are a lot of areas that a line manager is direct responsible for: providing feedback, coaching, giving recognition, offering growth opportunities. HR professionals argue that much of the problem of attrition lies in the hands of the direct managers and very popular expression sound like that’’ people don’t leave companies, they quit bosses’’ Evans Pucik & Björkman (2002, p 291).
- **Work-life balance** - in many organizations there is a poor balance between professional and private life which leads to a source of dissatisfaction which in its turn will make the employees look for new jobs.
- **Internal development and promoting** - the lack of opportunities in development and promoting contributes to attrition as well, but firms can combat it by providing a transparent configuration for talent development.
- **Location** is also another reason that people take into account (Ibid).

### 2.3.5 The notion of competencies and its usage in HRM

Starkey, Tempest and McKinlay (2004, p.91) used Prahalad’s and Hamel’s theory to define the concept of competencies within the field of strategic management as "the collective learning in the organization, especially how to coordinate diverse production skills and integrate multiple streams and technologies".

The competencies within the organization were also seen as competitive advantage and used in notion of resource-based view and later on as knowledge-based view. According to Barney (1991) in his theory about resource-based view, resources include all assets, capabilities, organizational process, firm attributes, information, knowledge, etc. For an organization if it is intended to have a sustained competitive advantage, then the resources should be rare, impossible or difficult to imitate, non-substitutable and appropriable by the firms.

Besides that, core competence in a knowledge-based view is defined as "the collective learning of the organization" sustain Starkey, Tempest and McKinlay (2004, p.92). They also consider that the focus on competencies implies a different way of thinking about both strategy and organization, and a unique competence is the primary source of competitive advantage. Therefore, this theory about competencies has a significant focus on HRM. It is crucial for organizations to have the ability to foster, protect, retain and deploy human resources through HR policies and practices (Ibid). Accordingly, it becomes vital for organization to select and retain talents that can lead to a competitive advantage. As a consequence of these theories about resource- and knowledge-based views, a new concept emerged, i.e. firm-specific attribute and network of relationship.
2.3.6 Talent Management Mindset

Establishing a talent management mindset is a key part for any managers and it is supported by trained competence in four major areas of leadership and management capability: coaching, mentoring, empowering and sponsoring (Duttagupta, 2005). To know what the company is looking for, what talent is needed for the business, when exactly in time (now or future), knowing how best to source such talent, recognising it, getting it and develop it is the maxim effect within the business. This creates means to identify and deploy outstanding talent, considers (Ibid). Moreover, Jackson and Parry (2011, p.93) exemplifies the GLOBE study for developing global leadership. In this study, they have developed an inventory for assessing a manager’s ‘Global Mind set’. The Global Mind set Inventory measures in fact leaders according on the following three levels:

- **Global intellectual capital** which means general knowledge, capacity to learn and cognitive and cultural acumen;
- **Global psychological capital** in term of openness toward differences and capacity for change;
- **Global social capital** in matter of capabilities to build trusting relationship with people who are different from oneself (Ibid).

2.4 CULTURE

Since I decided to compare talent management practices in companies from two countries, Sweden respectively Romania, I consider that it is necessary to understand the importance of culture in human resource management.

The term ‘’culture’’ was used for the first time by English anthropologist Edward B. Tylor in his book, *Primitive Culture*, published in 1871. He states that culture is "that complex whole which includes knowledge, belief, art, law, morals, custom, and any other capabilities and habits acquired by man as a member of society", Tylor (1871, p. 1).

Besides that, Dowling, Festing & Engle (2008, pp. 9-10) assert that ”There are many definitions for what culture means, however the term is usually used to describe a shaping process over time. An important characteristic of culture is that it is so subtle process that one is not always conscious of its effect on values, attitudes and behaviors”. Nevertheless, since international business consist of the collaboration and movement of people across national boundaries, it is essential to take a closer look at cultural differences.
Jackson (2002) argues that cultural differences are significant and multinational companies should take into account in their communication and interaction across nations. Jackson and Parry (2011, p.71) referred to Hofstede’s definition of culture as: ’’the collective programming of the mind which distinguished the members of one group or category from another’’. Working in a multinational environment, employees can have different cultural backgrounds and it could be quite challenging to have the abilities to recruit them, select them and retain them. This could be the difference between an organization having that talent, or the competitors benefiting from it. Cultural differences exist in multinational companies and it is extremely important to be aware of them in all stages. Indeed, working HRM it is impossible to know all the norms and code of behavior, e.g. what in Swedish is called ’’vett och etikett’’ about every single culture represented in the company, but to know that these exist is almost crucial.

Barron (2010) used also Hofstede’s theory to show us that culture is at the core of behavior, differs between nations, but is stable within them. Research has shown that national culture affects manager’s strategic thoughts and actions and it is often claimed that culture affects to cross-country differences in pattern of managerial thinking, feeling and acting. Moreover, ’’scholars argue that in countries where government-business relations are described as corporatist, e.g. in Sweden firms enter into long-standing relationship with the policymaker’’, (Ibid pp.320-321). On the other hand, Romania has made an enormous effort to introduce a completely new socioeconomic system based on private enterprise, states Aioanei (2006).

In order to better understand the national culture, we should take into account the well-known cultural dimensions identified by Hofstede (2012):

- **Power distance (PDI)** - the extent to which power hierarchy and inequality are acceptable in society and institutions.
- **Masculinity / femininity (MAS)** - the extent to which individuals are risk averse and tolerant to ambiguities and deviation from norms. It is referred to the distribution of emotional roles between the genders.
- **Uncertainty avoidance (UAI)** – the extent to which individuals in cultures with high uncertainty avoidance are described as being more risk averse and less tolerant to ambiguities and deviations from norms.
- **Individualism-collectivism (IDV)** - the degree of interdependence a society maintains among its members. It has to do with whether people’s self-image is defined in terms of “I” or “We”.
It is divided in two components:

1. **Loyalty towards the community (LTO)** describes the extent to which individuals feel loyal to their communities and are compelled to fulfill their obligation towards in-group members.

2. **Self-reliance** concerns the extent to which individuals, when in need, depend on their own resources rather than ask for help from in-group members, point out, Aycan, Kanungo & Sinha (1999) and Hofstede (2012).

Furthermore, in the diagram depicted below it can be easily comprehended the comparison between Romania versus Sweden on cultural dimensions, according to Hofstede’s official site\(^4\). It can be noticed that there are some clear differences on all cultural dimensions.

\[\text{Source: Geert Hofstede’s site } \text{http://geert-hofstede.com/sweden.html}\]

Accordingly, this theory about national cultural dimensions highlights that Sweden has low power distance (31), while Romania has a high one (90). This means that hierarchy is important for Romanian organizations, managers give order and employees accept centralized power and depend on the superior’s direction. On the contrary, in Sweden, the management style is about equality, direct and participative communication, coaching, and hierarchy is only for convenience.

On the other hand, Sweden has a high score in individualism (71) in comparison with Romania which has a score of (30). This means that in Sweden the relationship between

employer and employee is a contract based in reciprocal advantage, where for instance, promotion decisions are made on merit only. On the contrary, in Romania the society is seen as collectivistic one, where the rapport between employer and employee is perceived in moral conditions and the promotion decisions take into consideration the whole group.

Another significant dimension is masculinity. Here Sweden has a low score (5) which means that is a very feminine country where the balance between life and work is central and where managers strive for consensus. However, values such as equality, solidarity and quality in work are other significant characteristics. For instance the word “lagom” is one of the Swedish terms which means moderate (not too much, not too less). On the other hand, Romania has a score of 42 on this dimension, which indicates a relative feminine society.

The last important dimension with a significant contrast between Sweden and Romanian is uncertainty avoidance. Here, Sweden has a score of (29), while Romania has a very high score (90). This means that, societies with low scores as Sweden prefer practice instead of principles and no more rules necessary than required. On the contrary those societies with high score maintain inflexible codes of behavior like Romania, there is a need for rules, security is an essential part and innovation may be resisted.

Moreover, Jackson and Parry (2011) assert that leadership is a cultural activity. This strengthens the link between culture and leadership, emphasizes Hofstede in his theory about cultural dimensions briefly described above.

### 2.4.2 Organizational culture

Many researchers propose different definitions for what organizational culture is. Sanchez (2004) uses the notion of culture defined by other researchers. E.g. Trompenaars defines culture as “the way in which a group of people solves problems and resolves dilemmas” and Hofstede defined it as “culture is a deeply rooted value or shared norm, moral or aesthetic principles that guide action and serve as standards to evaluate one’s own and others’ behaviors”. These are only two of the many definitions of corporate culture, but in every organization can be found embedded four elements which will differentiate them. These elements are: strategy, structure, people and process highlights Sanchez (2004). According to him there will be a harmonically running of operations when all these four elements are in balance. In today’s organizations, culture affects the way employees act and for example, how formal the relations are between the leaders and the employees. It also affects the organizations design and structure, the stories, rites and rituals.
When it comes to describe culture as phenomena according to Jackson & Parry (2011), there is no clear definition that everyone has agreed upon. However, Hofstede (used in Jackson and Parry, 2011, p. 71) defines culture as “the collective programming of the mind which distinguishes the members of one group or category from another”.

Moreover, Tharp (2009) uses different theories to point out the type of organizational culture. Hence, he emphasizes that Campbell (1974) identified thirty–nine important indicators. He also stresses that such a long list can be impracticable for organizations to account for so many dimensions, thus he directs to other researchers namely, Quinn and Rohrbaugh (1983) who have reviewed the results of many studies on this theme and established only that two main dimensions. They call it Competing Values Framework which combines these two dimensions, and create a 2x2 matrix with four clusters (Tharp, 2009).

![Competing Values Framework](image_url)


Accordingly, these two dimensions have the following explanation:

The first dimension has to one end values as: flexibility, discretion, and dynamism and on the other end, there are values as: stability, order, and control. This means that some organizations highlight adaptation, change, and organic processes, while others are effective in underlining process as: stable, predictable, and mechanistic.

The second value dimension focuses on internal orientation, integration, and unity at one end and external orientation, differentiation, and rivalry on the other. This means that some organizations are effective through concentrating on themselves and their internal processes, while others are best on directing the market or competition (Ibid, p.3).

In addition, from this two dimensions, Cameron and Quinn (1999) identified four types of organization culture: Clan (Collaborate), Adhocracy (Create), Hierarchy (Control) and Market (Compete) as they are presented in the bellow figure.
## Collaborate (Clan) Culture
- An open and friendly place to work where people share a lot of themselves.
- It is like an extended family.
- Leaders are considered to be mentors or even parental figures.
- Group loyalty and sense of tradition are strong.
- There is an emphasis on the long-term benefits of human resources development and great importance is given to group cohesion.
- There is a strong concern for people.
- The organization places a premium on teamwork, participation, and consensus.

## Create (Adhocracy) Culture
- A dynamic, entrepreneurial, and creative place to work.
- Innovation and risk-taking are embraced by employees and leaders.
- A commitment to experimentation and thinking differently are what unify the organization.
- They strive to be on the leading edge.
- The long-term emphasis is on growth and acquiring new resources.
- Success means gaining unique and new products or services.
- Being an industry leader is important.
- Individual initiatives and freedom are encouraged.

## Control (Hierarchy) Culture
- A highly structured and formal place to work.
- Rules and procedures govern behavior.
- Leaders strive to be good coordinators and organizers who are efficiency-minded.
- Maintaining a smooth-running organization is most critical.
- Formal policies are what hold the group together.
- Stability, performance, and efficient operations are the long-term goals.
- Success means dependable delivery, smooth scheduling, and low cost.
- Management wants security and predictability.

## Compete (Market) Culture
- A results-driven organization focused on job completion.
- People are competitive and goal-oriented.
- Leaders are demanding, hard-driving and productive.
- The emphasis on winning unifies the organization.
- Reputation and success are common concerns.
- Long-term focus is on competitive action and achievement of measurable goals and targets.
- Success means market share and penetration. Competitive pricing and market leadership are important.

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*Source: Four organizational culture type, Tharp (2009, p.5)*

However, Cameron and Quinn (1999) assert that one of these types of culture is dominant but a mix of the other can emerge and in fact there are very seldom met a pure type of organizational culture. They also sustain, that the type of organizational culture is likely to change over time. So, it can be concluded that every organization has its own unique culture type and it is important to realize that e.g. in the bigger organizations, different types of culture can be found within the same organization. Due to different types of association amongst companies, different cultures come across and create several dynamics, challenges but also issues, stresses Coomer, (2007).
By defining the HRM and the international HRM function within organizations it shed light on the importance of it. It is seen as a distinctive approach to the management of employees that strive for competitive advantage though the strategic deployment of workforce using various techniques. According to Storey (1995), the aim of HRM is to use practices that support development of innovative, flexible and committed employees. Furthermore, IHRM is considered that refers to activities as for example: human resource planning, staffing, performance management, training and development, compensation, and industrial relations and that are carried out by an organization in order to effective use its human resources (Dowling, Festing & Engle, 2008).

There are three types of countries categorized as being involved in IHRM activities: the host-country where a subsidiary may be located; the home-country where the firm is headquartered; ‘other’ countries that may be the source of labor, finance and other inputs. Besides that, there are also three main categories of employees on an international firm: HCNs, PCNs and TCNs (Ibid). However, IHRM is perceived in broad terms that having the same activities as domestic HRM.

With an insight on HRM, the next step is certainly recognized as Talent Management. Many scholars argue about a definition of what TM is. According to them, the topic of TM has gained mainstream acceptance in practice, however, there seems to be a lack of empirical research regarding this subject. Nevertheless, the concept of TM appears to demand much time of the CEO’s of firms from various domains of activity and TM became so important in the knowledge economy that companies are required to go where talent is. Global talent management has born as a result of the globalization. Thus, GTM includes all organizational activities for the purpose of attracting; selecting and retaining the best employee in the most strategic roles, stress Evans Pucik & Björkman (2002). Moreover, a good global leadership would be the type of leadership that can bring all individuals from different cultural context together. This feature is very important since social variations in culture have an impact on the desired and the actual leadership and the persons’ values and behavior (Jackson and Parry, 2011).

Three main areas are common in TM, as in HRM in general: recruitment, selection & assessment and retention. Previous, in the points 2.3.4.1 - 2.3.4.3, the details of different

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5 HCNs - the host-country where a subsidiary may be located;  
PCNs - the home-country where the firm is headquartered  
TCNs - ‘other’ countries that may be the source of labor, finance and other inputs

6 Chief executive officer or managing / executive director

7 Global Talent Management
methods used for dealing with these processes have been described. Nonetheless, there are scholars, who argue in favor of importance of each of these processes. E.g. Duttagupta (2005) claims that an effective recruiting process is the beginning of an effective retention. On the other hand, Frank, Finnegan & Taylor (2004) assert that employee retention is king. Nevertheless, Duttagupta (2005) emphasizes that if an organization has a talent management system, then it might contribute through its talent strategy to gain business results. In addition, Tulgan (2001) argues that organization should have make use of a fluid talent pool. In the same line are also Lewis & Heckman (2006) who stress the development of talent pools as a second key stream of thinking with regard to TM.

When it comes to the concept of competencies and its usage in HRM, it is important to mention that it is seen as competitive advantage and it is used in the notion of resource-based view and later on as knowledge-based view, Barney (1991). Furthermore, Starkey, Tempest and McKinlay (2004, p.92) also consider that the focus on competencies implies a different way of thinking about both strategy and organization and a unique competence is the primary source of competitive advantage. Therefore, at this time it becomes crucial for organizations to select and retain talents that can lead to a competitive advantage. Moreover, by establishing a talent management mind set is a key part for any organization and there are many ways of sustaining this as it is stated in point 2.3.6.

GTM has a direct connection with the cultural aspect, and according to researchers the notion of culture has received various definitions also. However, the term is usually used to describe a shaping process over time, Dowling, Festing & Engle (2008). Besides that, scholars argue that in a multinational environment with employees that can have different background, it is extremely important to be aware of cultural differences. Hofstede had firstly identified five national cultural dimensions as it is presented in the point 2.4.1. Keeping this in mind, it might be easier to understand why do organizations deal with TM area in different ways, and also it may explain other perspective on HRM practices. Organizational culture can also be categorized by using the Competing Values Framework, introduced by Quinn and Rohrbaugh (1983) and further developed by Cameron & Quinn (1999). They categorized organizational culture in four main clusters as: clan (collaborate), adhocracy (create), hierarchy (control) and market (compete). The attributes of these organizational cultures are detailed in the point 2.4.2. Important is the fact that there is seldom found a pure type of these organizational cultures; it seems that rather exist a combination of them and the organizational culture changes over time.
3 METHOD

This section includes a presentation of the method used in this thesis. The starting point is the research approach, followed by the literature review, the design of the questionnaire, and ending with some limitations of this study.

3.1 RESEARCH APPROACH

Since the aim of this thesis is to find out how different companies from Sweden and Romania work with talent management in HRM processes, if there are some similarities or differences on the practices and also to notice if the organizational and national cultures play some role in HRM on talents, I was able to choose between different methods, such as: structured interviews, questionnaires, observations, etc.

As many scholars argue, there is a sort of ambiguity between qualitative and quantitative type of research. Bryman and Bell (2003) exemplify some differences between these two research strategies as follows: quantitative research has a deductive orientation, tests a theory, uses a natural science model (positivism) and has objectivism ontological orientation, while qualitative research has an inductive orientation, generates a theory, uses interpretivism as epistemological orientation and has a constructionist ontological orientation.

A more simple perspective on these differences is illustrated by Patel and Davidson (2003). They define the quantitative research as the method which implies measurement of collection of data and statistical processing, while the qualitative method focus on qualitative interviews and the interpretation of them as well as the verbal analysis of findings.

Furthermore, Jacobsen (2003) emphasizes that both types of research have advantages and disadvantages and it is ideal to have a combination of these two research methods in order to complement each other. In this paper, a self-completion questionnaire that includes both open questions and closed ones was used with focus on the interpretation of the answers.

However, I have chosen the method self-completion questionnaire mainly because of matters of time and cost. According to Bryman and Bell (2003), the self-completion questionnaire has some advantages in comparison with the interview, for example: time and cost, administration, absence of interviewer effect, no interviewer variability or convenience for respondents. Indeed, this method was cheaper compared with physical or by phone interviews. Since the targeted companies were Swedish and Romanian, the questionnaires were sent out by e-mail, and some additional telephone calls were needed, but any travel has
not taken place. It was quicker to run as I could send the questionnaire once to all the companies. Besides that, as many theories highlight, the characteristics of interviewer and respondents may affect the quality of an interview, thus a self-completion questionnaire excluded this possible concern. In addition, by using this method it was convenient for the respondents because they could complete it whenever they wanted and have time. Though, Bryman and Bell (2003) state that the questionnaire has also some disadvantages. For instance: cannot prompt and probe, difficult to ask extra questions and other that are not salient to respondent, and cannot collect additional data. Also, the questionnaire can be read as a whole before the respondent start answering and it is not certain who will complete it. For instance, even if the questionnaire used in this paper was sent to a person working within the HR department, assumed that a specialist worked with talent management practices, the questionnaire could be delegated to other personnel.

3.2 RESEARCH DESIGN OF THE SELF-COMPLETION QUESTIONNAIRE

3.2.1 Literature Review

On the topic of the main steps taken in this study, it can be mentioned that after choosing the subject of the thesis, I looked out after relevant literature in the field, mainly accessed on Gunda (library catalogue of Gothenburg University). Furthermore, I have prepared and designed the questionnaire’s template related to the significant theory about HRM, TM and organizational and national culture as it is presented in the second chapter. Then I attempt to find multinational Swedish and Romanian companies in order to send out the questionnaire. According to Patel and Davidson (2003) the primary sources are defined when you have used data from interviewed, questionnaires, observations. In other word when you received information directly from the original source. In this research the primary data are the self-completion questionnaire requested from four targeted Swedish companies and other four targeted Romanian ones. I consider the material received contains solid and useful information from the primary sources; therefore, these sources are valuable and important for this research. The secondary sources are considered when you use information from other category of sources than interviews or questionnaire, stress Patel and Davidson (2003). Books, articles and Internet sites are examples of secondary sources that I have been used in this research.
3.2.2 Research Sample

In the process of developing the questionnaire used in this research, I have followed the recommendations of different scholars. For instance, Bryman and Bell (2003) point out that it is important to have a clear presentation, clear instruction for the respondents and also keeping the question and answers together. Accordingly, after I took contact with the targeted companies, especially the employees from HR department for each of the presented company, I send an email where I have explained the purpose with my study and the survey, the time approximated to fill in (20-30 minutes) it and the time expected to get the questionnaire back. Also, I have assured the personnel who supposed to answer the questionnaire, that the company can be confidentially treated if it is the request. Consequently, two of the companies involved in this study, one Swedish and one Romanian have demanded to be anonymized.

According to Patel and Davidson (2003), confidential means that we know the respondent, but it is only the receiver who have access to the information. As a consequence, in the findings and analysis chapters these two companies have received a fictional name, i.e.: Mechanical Inc. for the Swedish company and Bathrobe &Co for the Romanian one.

With regard to the content and type of the questions used in this questionnaire, I have followed the recommendations provided by Bryman and Bell (2003) about the advantages and disadvantages of open closed questions and I tried therefore, to have a balance between these two types. The questionnaire includes a total of eighteen questions, of which ten closed-questions, seven open-questions and one which includes a short description of organizational type of culture with four options to answer on it. An extra point was added for further information and it was only optional. In addition, there is a link between all the questions, i.e. the questions’ order follows an unwritten theme (HRM, TM, organizational and national culture, global leaders) and are easy to flow without annoying the respondents.

With respect to the type of the questions, Bryman and Bell (2003) highlight that there are various ways of classifying them, so in the questionnaire can be identified as informal factual question which in this case, the questions deal with information about the companies’ information regarding talent management, organizational culture, development of leaders, etc. The question about the knowledge is another type of questions and deal with respondents’ knowledge in a specific area, here is about HRM, especially talent management issues.
3.2.3 Collection of Data

As a parameter, the initial idea was to target five to ten large companies which have origin in Sweden for the Swedish one, and other five to ten Romanian companies with Romanian origin. Another concern was to have involved companies with international activities with the aspiration that these types of companies work with talent management and would like to participate in my study. In addition, a consideration in my intention was to have one Swedish and one Romanian company from the same domain of activity in order to perform as accurate comparison as possible.

After many searches in different databases, internet, participation to job fairs, and other personal contacts, I was able to take contact with the desired companies, but unfortunately some of the targeted ones did not want to participate from different reasons, such as: lack of time and personnel, internal policies, no interest, etc. Consequently, the final solution was to continue the process with only four companies from each country, and also companies with various domain of activity. As an illustration, there is only one Swedish and one Romanian bank that support a direct comparison on their practices with regard to HRM, particularly TM. The next step was to send an email which had included a description about the scope of the study, the motivation for choosing the company and details about the theme, deadline, etc. The questionnaire’s template, emails and telephone conversations were set up and conducted during the period of December 2011- February 2012.

Later, after sending out the questionnaires and set the dead line for having them back, there was a need for one or two reminders as Bryman and Bell (2003) underline, and thus a delay from one to two weeks appeared. Later on, after I got all the questionnaires back via email, I have sent a thank you email to the contact persons from all companies involved in this thesis.

3.2.3.1 How the collected material was structured and presented

The approach used for processing data depends on each study, and it is common to analyze which questionnaire as they come, emphasize Patel and Davidson (2003). Accordingly, after the questionnaires were sent back to me via e-mail, I started progressively writing on the empirical finding chapter. But before start processing the material I have designed a model for presenting the empirical finding as follows.

Firstly, in the empirical findings chapter, I have chosen to structure the companies by country, thus, I have presented the Swedish firms in the section entitled ’’How do Swedish companies deal with TM’’ and the Romanian ones in the section entitles ’’How do Romanian companies
deal with TM”. Secondly, within these sections I have started the presentation of empirical findings with a brief description of each company followed by a chronological arrangement of their answers provided in the questionnaire. I have also followed the guidance provided by the same authors to have a balance between quotations from the respondents answers and the entirely text. However, it is important to add that not all of the questions were answered, but mainly, it can be concluded that the information received was adequate in order to be able to make an analysis. E.g. it happened that one company did not answer at all questions on the questionnaire template, but it had sent me via email the firm’s internal policies in regard with TM practices. In the same line were other two companies which filled the questionnaire here and there in wide terms, thus some extra information were required and provided later via email also.

3.2.3.2 How the collected material was analyzed

During the course of writing the empirical findings, some ideas raised about how the analysis part might be approached. Accordingly, I decided to develop four major themes that display and compare the ways of working with TM in HRM practices of companies from Sweden versus Romania. These are as follows: Talent management and the tools used in HRM processes; Organizational and national culture impact on talent management; Development of global leaders and uses of talent pool; Talent management mindset.

3.3 TRUSTWORTHINESS

Even if the questionnaire is considered a part of the quantitative research method, the self-completion questionnaire in this paper was analyzed from the qualitative point of view. Given the number of seven open questions, and also the possibility of further explanations for the ten closed ones for instance, I tended to use my interpretation based and compared to the theory in order to analyze the companies’ answers. Accordingly, the measurement was not the main concern in the analysis of the companies, except some numerical associations between the Swedish and Romanian companies (e.g. three of four, all of the companies, none of them). So, the focus was, therefore on the interpretation of the empirical findings, relate and compare them to the theory and present them. However, the questionnaire has to some extent a medium grad of structure as Patel and Davidson (2003) illustrate. In other word, the questionnaire has included partially closed questions, where the respondent did not have too much space for answering; they were supposed to answer either yes or no. But in the same time, in the questionnaire were founded
also open questions, where the respondents have unlimited space for answering. Moreover, there was a high grad of standardization as Patel and Davidson (2003) exemplify for the reason that the questions placed in the questionnaire pattern have the same order to answer for all the respondents. Please, see appendix no. 1 of the self-completions questionnaire layout. So, in this research I have interpreted the empirical findings related to the theory exposed in the literature review. Furthermore, I have followed Patel’s and Davidson’s (2003) recommendation and tried to analyze the empirical findings in the way that another reader can have an individual understanding on the trustworthiness of the research. Therefore, an alternative principle for assessing a qualitative research is trustworthiness illustrated by many researchers, among other: Bryman and Bell (2003), Holme, Solvang & Nilsson (1991) and Alvesson and Sköldberg (1994).

According to Holme, Solvang & Nilsson (1991) for a study to be credible it requires both in planning phase and executing one to put the question about possible errors and mistakes that might sneak in. The errors cannot be avoided, but they can me be minimized. Thus, I have taken into consideration if the answer’s alternative can give a proper understanding of the questions, if the respondents really understand the intention of the questions or how accurate the interpretations of the information are. As an illustration, before sending out the questionnaire, I have asked some of my colleagues and my supervisor teacher about their opinions on it, how easy or difficult they find the questions and the like. Furthermore, I have presented the empirical findings in a manner that readers can create their own opinions.

3.3.1 Probation of credibility

It is important for all researchers to provide as much credible information as possible and this can be proven on two different ways, argue Holme, Solvang & Nilsson (1991). For instance, the same research can be done in two different dates by the same researcher or it can be done by two different researchers in the same time. Accordingly, if the self-completion questionnaire is repeated, the respondents might answers the same, independently on who ask the questions (send out the questionnaire), or on the contrary, they might answer differently on the same questions. But this situation does not necessary means low credibility. If their answers vary, the respondents’ attitude can be explicable by the fact that they have another perspective, having gained more knowledge or have new opinions on the subject. Additionally, the respondents in this case might appear interested about the subject, or the facts that they have knowledge about it.

However, interpreting the answers is necessary in the qualitative research. As Holme, Solvang & Nilsson (1991) emphasize, in the qualitative method process the starting point is the
preconception that a researcher gains through the experience, studies, or other scientifically research, and the bias that the researcher has a subjective understanding about the topic in study.

Additionally, the qualitative research is established on certain assumptions of value and knowledge that a researcher has and the research environment as well (ibid). Hence, two hermeneutic circles which include interpretations taking place (one cognitive and another normative between theory and empirical findings) will lead to the final result.

Moreover, Patel and Davidson (2003) mention that qualitative studies are unique, and do not have any clear rule, procedures or other criterion in order to reach a good quality. Consequently, I have analyzed the empirical findings through my knowledge and understandings related to the theory presented in chapter no 2.

3.3.2 Limitations of the study

With regard to the sample size, it can be argued that only four Swedish companies and other four Romanian ones are not sufficient for a comprehensive comparison and thus, the result cannot be generalized as specific for these countries.

To some extent, it can be also claimed that there was only one person from each company (specifically from HR department) who answered on questionnaire. Thus, the persons’ understanding of questions and provided with answers, or the intention for describing good practices for marketing purpose for instance, can be considered an additional limitation.

The questionnaire was designed in English, which is not the native language of neither respondents, nor interviewer and therefore, the language used could be considered an issue. Nonetheless, as long as these companies run international activities it was supposed that English is used on the daily basis communication within the firms, thus the language should not be perceived as a major issue.
4 MATERIAL

4.1 EMPIRICAL FINDINGS

In this section, a presentation of the answers from the Swedish and Romanian companies on the survey can be founded.

4.2 HOW DO SWEDISH COMPANIES DEAL WITH TM

Below it can be found the Swedish companies’ results on the questionnaires. These four international companies that shown their interest to participate on this survey are: SEB, AB Volvo, IKEA and Mechanical Inc.

4.2.1 Skandinaviska Enskilda Banken AB

SEB is one of the biggest banks in the Nordic countries with more than 150 year history. Founded in 1856, SEB is now a leading Nordic financial institution. It has offices and activities in 20 countries worldwide, and has about 17,000 employees.

- **Company’s TM definition**
  Going back to the questionnaire regarding talent management it appears that the bank is familiar with this term and can define it as ’’attract, recruit, retain and develop talents’’. For this bank, TM is seen as integrated which means ’’the life cycle of the employees as one process’’.

- **The tools used by SEB in the HRM processes for talents:**
  - Recruitment: Personality test (OPQ), behavioral interview technique, manager profile vs. behavioral competencies.
  - Selection/ Assessment: the same at recruitment.
  - Retention: Internal career activities, development programs, performance appraisals.

Also, global processes with easy to use tools for manager and HR are used in all these three levels. Here SEB means that it has tried a common working way and it has simple tools for managers, so that they are supported in being able to do much by themselves. SEB work with a behavior-based approach and has for example a "manager profile" with seven behavioral competencies that it is seen important for success as a manager in the bank. In recruitment process, they interview around these, in the development dialogue, they measure it, and then they are rolling out leadership development courses that correlate with these. SEB has a 360 degree feedback tool for in-depth assessment. SEB work with succession planning and has a

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8 SEB
9 Occupational Personality Questionnaire- includes a series of questions (416 questions), which reveal data about the candidate’ personality, values, ethics, beliefs.

Lucica Stan
global talent review that will result in different talent pools, they work a little extra with both in visibility and challenges in the organization. Furthermore, the same strategy is used in all countries where is active, at all stages of HRM process mentioned above. Unfortunately the company did not give a response about which of these three processes is most important, but confirms that TM effectiveness is measured by using internal turnover rate among talent and external stuff turnover.

- **Programs for developing leaders**
  In SEB there are different programs for developing leaders such as: trainee programs, career awareness programs for future leaders, different other programs for managers on different levels running over a longer period of time.

- **The usage of talent pool**
  With regard to talent pool, SEB makes use of both internal and external talents and takes into consideration different criteria for recruiting, selecting, retaining talents for international leadership development compared with the national one. For instance ”you can be a local talent to be developed further locally or a global talent when you have “grown out” of your local pool”.

- **Talent management mindset**
  When looking after talented employees, SEB practices performance appraisals with performance and potential rating, called Global Talent Review process. Company develops international leadership by experience, and on the job learning. Lead and empower, decide and execute, work strategically are some of the competencies that SEB is paying attention to in develop international leadership.

  TM is part of SEB’s strategy for developing and growth. Furthermore the company establishes TM principles and areas such as: coaching, mentoring, empowering and sponsoring, training programs, challenging assignment are covered in its strategy.

- **Organizational culture**
  SEB confirms that organizational culture affect talented employees by giving talent opportunities to grow fast, and assert also that the type of international organization (HCNs, PCNs, TCNs) play a role in TM. Finally, SEB identifies itself in ”Compete’’ category of organizational culture which is characterized by the attributes presented in the section 2.4.2 of the theory.
4.2.2 IKEA

In 1943 IKEA’s history started in a small community, Agunnaryd, when the founder Ingvar Kamprad was only 17 years old. During the decades, IKEA developed to a big international company with ca. 131,000 workers in 41 countries all over the world.

- **Company’s TM definition**

Regarding talent management, IKEA confirmed to be familiar with and defines the term as “To grow our business we need to have the best talents. So firms’ TM are defined in both recruiting and developing its new co-workers and of course its existing co-workers. IKEA think that it is not always a need to hire someone new to get a talent, often you can find a co-worker in our organization and develop this person into a new role”.

- **In the HRM processes for talent IKEA has the following actions:**

- Recruitment: We always need to get new people in. People leave and need to be replaced. When we recruit we think: Don’t recruit a person who is like the one who has left. Recruit the person who are or can be better.

- Selection/ Assessment: Personal testing. The most important thing is that you as person are interested in our Company then we think you grow.

- Retention: We develop our co-worker. And the main thing is that it’s up to you as co-worker to take charge of your own development. Then we also have a lot of intern education as future leaders and several more.

- **Programs for developing leaders**

For IKEA the most important steps from these three processes, is to develop their existing co-workers and pays a special attention to recruitment step, because IKEA gets the people who want to develop together with it. Besides this, the same strategy is used in all countries where is active at all stages of HRM process mentioned above and does not measure TM effectiveness. IKEA recognizes different criteria for recruiting, selecting and retaining talents for international leadership development compared with the national one. E.g., a couple of years of IKEA’s experience and interest to be a future leader. The last is also the most important competencies when IKEA develops international leadership.

- **The usage of talent pool**

Regarding talent pool IKEA does not make use of it and the most important thing is that the employees should be interesting in company and to develop itself and the business.

- **Talent management mindset**

In terms of TM mindset, IKEA establishes principles and it uses different strategies, the most important being considered mentoring. In addition, TM is also part of the company’s strategy for developing and growth.
**Organizational culture**

With regard to the organizational culture IKEA considers that this aspect affects talented employees and this can be illustrated with the company’s direct answer to the questionnaire.

"When we recruit we often have a question like where do you want to be in five years. To be an employee with us it’s to be in a different world. You must develop yourself to develop our business by a question that they use in recruitment step”. On the other hand, IKEA does not think that the type of international organization (HCNs, PCNs, TCNs) play some role for talented management. The company has programs for developing leaders, e.g. international trainee program. Both internal and external one.

Lastly, IKEA mainly selected ’’Create’’ type of organizational culture, but it have also selected one attribute from the other three types.

**4.2.3 AB Volvo**

The Volvo Group is one of the world's leading providers of commercial transport solutions, providing such products as trucks, buses, construction equipment, engines and drive systems for boats and industrial applications, as well as aircraft engine components. The Volvo Group also offers financial solutions and an increasing share of other services to its customers. Volvo Group has about 100,000 employees, and production facilities in 19 countries, also sales activities in some 180 markets.

For AB Volvo TM term is familiar as well and it defines as following:

- The Talent Management team is working in three specific areas for the entire Volvo Group: recruitment and attractiveness, Diversity and inclusiveness, Leader Sourcing and Talent Development.
- We coordinate global development activities and support local expertise in the implementation.
- The scope of recruitment and attractiveness is the promotion of Volvo group through a strong Employer Branding communication and long term relations with the universities. It also covers recruitment Policies, strategies and new tools developments.
- The scope of diversity and inclusiveness is the definition and implementation of Diversity and Inclusiveness policies and activities. It includes Diversity and Inclusiveness trainings, Diversity networks and Diversity measurement and toolkit.
- The scope of leader sourcing and talent development is the implementation of Leadership Pipeline, Talents review, career boards, global mobility. We share the talent
development activities with AB Volvo Corporate HR Competence Development. Volvo Group measures TM effectiveness but unfortunately does not provide any example. The company assert that has a specific program for developing leaders but no example is given.

- **The usage of talent pool**

Regarding talent pool, AB Volvo makes use of this tool and TM principles have been established as well as the company strategy for developing and growth. Except the first paragraph enriched with information about TM definition and used within organization, no further information was completed in the questionnaire.

- **Organizational culture**

The company confirms that company’s organizational culture affect talented employees as well as the type of international organization. AB Volvo also considers that ‘’Collaborate’’ is the type of organizational culture which describes best the company.

**4.2.4 Mechanical Inc.**

The Mechanical Inc. history started in 1980 as a production efficiency project within a huge industrial concern. The international break-through came instantly and the Mechanical Inc. solutions quickly got recognition in a wide range of industries, worldwide.

- **Company’s TM definition**

This company is also familiar with TM term and defines as follows:

- Understanding the capabilities needed in our organization and determine the actual potential talents required of the employees.
- Identifying of people with both the ability and potential to rise in the organization.
- Developing talented individuals to meet the needed capabilities.
- Deploying talent into new and existing businesses.
- Retaining talented individuals for taking on key positions.

- **The tools used by Mechanical Inc. in the HRM processes for talents**

In the HRM processes for talents the company makes use of the following tools:

- Recruitment: Tests, interviews, induction of new employees
- Selection/ Assessment: Tests and interviews
- Retention: Performance reviews, Training & Mentoring.

The company does not give the information with regard to the importance of these processes but it confirms it uses the same strategy at all these levels for all the countries where is present. Mechanical Inc. measures the TM effectiveness by performing annual talent based
reviews and approve that the organizational culture affects talented employees by giving the following explanation “If the culture is not right we will not be able to retain and develop the people who are considered as high potentials”.

- **The usage of talent pool**
  Mechanical Inc. agrees that makes use of talent pool and there are not any differences in HRM processes between international leadership compared with the national one. When the company looks after talented employees it is defining a certain need with skills and capabilities that afterwards is matched with the profile of the people they are recruiting. When it comes succession management, for instance, a vacancy occurs they assume that there should be 2-3 candidates internally that may be considered for advancement.

- **Programs for developing leaders**
  This company has a program for developing leaders as for example: Developmental Leadership (FHS, UL) and a High potential program IMPACT. Although, the company develops international leadership competencies the same as local and the most important competencies within organization is evaluated on the model performance vs. potential. Here is about few criteria such as: high performance in the current position and have potential plus willingness to take on extended challenges, live the Mechanical Inc. Credo and following company’s principles for corporate governance (accountability, integrity, efficiency, transparency) are other important aspects as well. Within the organization, it takes a timeframe of 24 months to climb on each level as we can notice in the below figure.

![From Talent to High Potential](image)

*Source: the picture was provided by the company*

- **Talent management mindset**
  TM is part of company’s strategy for growth and developing, and some areas as mentoring, training, performance reviews, 360 assessments are covered in it.
4.3 HOW DO ROMANIAN COMPANIES DEAL WITH TM

Below it can be found the Romanian companies results’ on the questionnaire. These four targeted international companies who have chosen to answer on this survey are as follows: Bancpost S.A., UniCredit Consumer Financing IFN, Izotec S.A. and Bathrobe & Co S.A.

4.3.1 Bancpost S.A.

Bancpost was established in July 1991, by Government Resolution, following a reorganization of the communications sector, by taking over part of the assets of the RomPostTelecom public company. The first 20 years of activity quantify into significant records: Bancpost is a top 10 bank in Romania, is the 5th brand in terms of public awareness within the banking sector, and has more than 1 million clients. The bank provides a wide range of efficient and reliable banking and financial solutions, covering retail, corporate or institutional areas. Bancpost is member of Eurobank EFG Group (an international banking group with presence across 40 countries) and has over 3,000 employees and an extensive territorial network of 265 branches, 10 Regional Centers and 15 Business Centers.

○ Company’s TM definition

When it comes to Talent Management the company asserts that is familiar with it and can defines as ‘’the system through which employees with high results and high potential are retained, developed and placed in key positions’’.

○ The tools used by Bancpost in the HRM processes for talents

The company uses different tools for each of the three main steps in HRM, e.g.:
- Recruitment: Internal market/ external market. E.g.: online advertising, attending to various job fairs and websites as Linked In.
- Selection/Assessment: Competency based interview, psychometric tests, job specific testing.
- Retention: Training and development, succession planning for key positions, specific projects, and performance based bonus.

Bancpost considers that all of these three processes are important, since each phase is bringing its benefits in filtering the right person for the available positions. In the matter of talent management effectiveness the bank does not measure it. With regard to the organizational
culture, Bancpost does not consider affecting the talented employees, but on the contrary, the type of international organization (HCNs, PCNs, TCNs) is considered playing a role for TM.

- **The usage of talent pool**
  This company makes use of talent pool but we don’t know if it uses or not the same strategy in all of the countries for recruiting, selecting and retaining talented employees.

- **Programs for developing leaders**
  Moreover, the company develops international leadership competencies by recognizing MBA, training providers and the most important competencies when it develops international leaders are: business thinking, achievement drive, change leadership, developing others, team leadership. On the contrary, there are no differences criteria for recruiting, selecting and retaining talents for international vs. national leadership development.

- **Talent management mindset**
  The company has established TM principles and takes them into consideration in its strategy for developing and growth. Areas as training, empowering, coaching and mentoring and spying on competition are covered in company’s TM strategy as well. Nevertheless practices as performance management, 9 boxes, 360 degree feedback and assessment center are employed when it looks after talents as well as collaboration with talent-hunting companies.

- **Organizational culture**
  Finally, by given different attributes that describe a company organizational culture, Bancpost find itself in both ’’Compete and Control’’ ones.

### 4.3.2 UniCredit Consumer Financing IFN S.A.

UniCredit Consumer Financing began its activity in Romania in 2008 specializing in private consumers. It is part of UniCredit Group, a major international financial institution with strong roots in 22 European countries and overall international network present in approximately 50 markets with more than 9,500 branches and over 160,000 employees as of 30 September 2011. This financial institution of UniCredit Group is specialized in retail management in providing loans and mortgages, personal loans and credit cards. The business man Ion Țiriac, well know from his glorious age as tenisman is an important shareholder of UniCredit Tiriac Bank which owns in its turn 46,06 % of UniCredit Consumer Financing. IFN S.A. The company has around 1500 employees in all the countries where has activities.
- **Company's TM definition**

By starting at the same point we notice that this company works with TM, especially in the retention step of HRM, where it uses Talent Management Review program. For this IFN, TM is defined as follows:

- Foster the professional and managerial growth of our Leaders and Talents and build a sustainable Leadership Pipeline for the Group.
- Manage strategic resources with transparent criteria, aligning the quality of Leadership to business objectives and challenges.
- Acquire deeper knowledge of resources and a better understanding of their professional aspirations for motivation and retention purposes.
- Define and implement individual and organizational development plans.

- **The tools used by UniCredit in the HRM processes for talents**

When it comes about the main three important steps of HRM, the company deals most with retention one by pointed out the following: TMR is Group wide annual process for talents identification, evaluation and development. It is a continuous process to provide high performing, high potential employees with a differentiated development framework to accelerate their careers and foster their development. This step is also the one used in the same way in all of the countries where the group activities are present. The company measures TM effectiveness based on performance and potential criteria. Performance is measured in terms of: sustainability of quantitative and qualitative results, excellent coverage of responsibilities connected to own job, solid and broad expertise. Potential is measured on the basis of: ability to quickly learn from experience and adapt; ability to apply new competences and behaviors required by new, challenging situations; ability to perform in first-time and difficult situations.

- **The usage of talent pool**

The company uses internal talent pool and ”trough performance appraisal tools and constant feedback from the Line Managers we get a clear picture of all behaviors that predict potentials when looking after talents”.

- **Programs for developing leaders**

Even if the company has not any different criteria for recruiting, selecting or retaining talents for international vs. national development, UniCredit illustrates how it develops international leadership competencies: “We are a Group numbering more than 162,000 people with a presence in 22 countries and diversified business activities in the financial market. One of our talent management review program’s goals is to enhance cross-career moves within the Group. The program is conceived in the same manner for all entities all over the world”.
o **Talent management mindset**

Regarding the talent management mindset, UniCredit established principles and areas as: coaching, mentoring, global mobility, development center, visibility events are covered in its strategy for growth and developing.

It does not know if the type of international organization plays some role for UniCredit but it certainly has a program for developing leaders since it gives us example: Executive Development Plan (EDP) - annual Leadership development processes based on the UniCredit Competency Model that involve Executives of the Group.

o **Organizational culture**

UniCredit considers that organizational culture affect talented employees in different ways:
- People want and can learn;
- Self-awareness and self-accountability for development is the condition to learn and grow;
- Leadership is about creating development possibilities for the individuals, the company and the communities;
- Learning must be combined with job requirements;
- Learning activities foster innovation, cross culture development and knowledge sharing;
- Learning happens mostly on the job and is led by leaders.

Finally, given the facts that there are four types of organizational culture with different attributes each, UniCredit deemed to have something in common with all of these four types.

4.3.3 **Izotec S.A.**

Izotec Company started its activity on the local market of PVC (polyvinyl chloride) carpentry in 2004 in Piatra Neamț. The company has around 150 employees. Nowadays, the company through its investment became one of the biggest manufactures of PVC carpentry in Romania. It produces and distributes its products in Romania and Moldavia and has export in Italia and Spain.

o **Company’s’ TM definition**

This organization states that is not familiar with talent management even if it defined it as ‘’that part of HR management which evaluate and develop the persons that have a lot of development potential in common domains with company’s strategy’’.

o **The tools used by Izotec in the HRM processes for talents**

When it comes to the main three processes of HRM the company does not use many tools, except the interviews for selection and induction process for retention. All of these processes are used the same in all of the countries where Izotec is present. However, the same processes related to TM seem much important for the company as follows:
- Recruitment: formal announces, informal (like headhunting), rumors.
- Assessment / Selection: interviews with different managers, with several questions.
- Retention: define clear expectation, a solid induction process. Induction here is about the period of training of new employees at the very beginning of their entry in order to be well-integrated within the company. In so doing, the company considers that contributes to a good integration of their employees and gives them a greater chance to feel comfortable in their new start up and as a direct consequence they will continue to stay and growth within the company.

The most important step is considered selection because the company must know the real motivation of the person for the job, and that motivation must be aligned to organizational culture and strategic goals, otherwise in short time a conflict will appear. TM effectiveness is not measured in this company.

- **The usage of talent pool**
  Talent pool is not used at all, but the company makes used of informal discussion, rumors and meetings as practices when it looks after talents.

- **Programs for developing leaders**
  Izotec states that had a program for developing leaders provided recently by a team of consultants which had good results in developing leader skills for some managers. Concerning international leadership development compared with the national one in the basic process of HRM, Izotec considers that different criteria are used and explain that “In Romania, in entrepreneurial companies, there's not a well-defined process of recruiting, the recommendation has an important role, and professional evaluation lesser”. In any case this company does not develop any international leadership competencies.

- **Talent management mindset**
  Izotec has not established TM principles and just some training programs are covered in its TM strategy. Additionally TM is not taken into account by the company for its growth and developing.

- **Organizational culture**
  With regard to organizational culture it considered as affecting talented employees and an explanation is given “We don’t have yet an organizational culture focused to encouraged the ideas. The hierarchy structure is complicated and communication with gaps, so is very probable to have barriers in obtaining good ideas from lower levels”. Although the company deemed that the types of international organizations play a role for TM.

With a short given description of four type of organizational culture, as it is presented in point 2.4. Izotec nominated for “Control” as one that characterizes best the company.
4.3.4  Bathrobe & Co

Bathrobe & Co is a Romanian textile manufacturer, founded in 1993. After year 2000, the company established its activity in other European countries such as: Hungary, Italy and France. As of March 2008, Bathrobe & Co operates 103 stores, 65 in Romania, 35 in Italy, and 3 in Hungary. It also franchises 10 boutiques in France. The company had around 1,000 employees.

- **Company’s’ TM definition**

Bathrobe & Co asserts that is familiar with the term TM but when it comes to especificate what does it mean for the company, it is considered a bit ambiguous defined or not so well applied, tangent with other practices of HR. It is applied intuitively-empiric with the scope of attracting, developing, retaining the best employees and by doing so, the maximum potential can be reached.

- **The tools used by Bathrobe & Co in the HRM processes for talents**

When it comes the actions and importance of TM in the three major process of HRM, the company answered as follows:

- Recruitment: specialised companies in recruitment, newspapers, recommendations
- Selection/Assessment: preselection made by specialised companies, then interviews with the company’s management.
- Retention: depending from case to case, it is customised.

The most important stage is considered to be retention because a promising recruitment is not necessarily materialized, whereas you really want to keep a talent within the company who has adapted itself to organizational culture, has added value and has proved performance. However this organization use the same strategy for retention and selection in all the countries where it has activities, excepting retention phase.

- **The usage of talent pool**

Bathrobe & Co makes very little use of the external talent pool and prefer to use benchmarking when it looks after talents.

- **Programs for developing leaders**

The company does not have any program for developing leaders due to the reason that talent and performance are not much promoted within the firm. The type of international organizations (HCNs, PCNs, TCNs) is considered as playing some role for TM.

Regarding international leadership competencies the respondent states that it is very important to understand the culture (national, organizational, geografical region) of the people you want to promote and perform at international level.
However for this company the most important competencies when develop international leaders are: charisma, empathy with focus on people and relationship. The respondent tended to emphasize that it is better to have a performant manager with leader’s qualities rather than a leader ad literam.

- **Talent management mindset**
  This company has established TM principles and it is a part of the company’s strategy for developing and growth. For instance, coaching and continuing training are some covered areas in TM.

- **Organizational culture**
  Bathrobe & Co does not measure TM effectiveness and has the opinion that organizational culture affects talented employees. Actually the style of management within the organization is an autocratic one and talent and performance are not much promoted. Given some features that describes four types of organizational culture, Bathrobe & Co could not find itself in one of this. Instead of this it affirms to be a parental company anchored in an economic and cultural system where it suppose to adapt easy and quikly to all international and national trends and changes. Personal opinion of the respondent is that ”to identify talents is relatively easy, but it assesses difficult to help those talents on theirs way of using the potential, qualities, skills and capabilities and reach the maximum of performance”.

### 4.4 SUMMARY OF THE EMPIRICAL FINDINGS

Summarizing the findings of these companies who answered on the survey we can notice easily as it is depicted in the table below that there are similarities and differences in their answers. Also, there are some questions without any answers or just a very short one.

With regard to the talent management definition is notable that all the companies were able to define the term, and there is only one company which states that it is not familiar with talent management. When it comes to the HRM main processes: recruitment, selection/assessment and retention we can notice that these companies use different tools for each of them. Not all the companies answered entirely on this question, but the information is more detailed regarding the same processes used in TM. According to their answers, not all the companies measure talent management effectiveness and those which measure it make use of internal turnover rate, annual talent base reviews or other tools based on performance and potential. Organizational culture seems to affect the talented employees as well as the type the company (HCNs, PCNs, TCNs).
In the matter of programs for developing leaders the companies have presented various types and the most commons are trainings and special programs customized for development future leaders. With only two exceptions the companies gave examples of practices for talented employees’ research such as: performance appraisal, talent reviews, 360 feedback or 9 boxes. Talent pool is used internal, external or not at all according to the companies’ answers.

Regarding the question if there are different criteria for recruiting, selecting, retaining talents for international leadership development versus national one, companies’ answers are divided between yes and no. However, examples of the most important competencies for developing international leaders are given. Except one, all of the companies answered that TM principles are established and TM is part of company’s strategy for growth.

We see a majority of positive answers about the employment of the same strategy used for all the countries where companies have activities. Unfortunately, not all the companies answered at this. On the other hand all of the companies illustrated with examples areas covered in TM strategy and we can notice that coaching, mentoring and training are the most covered ones.

Finally, given the fact that there are four types of organizational cultures (Collaborate, Create, Compete, and Control) with a brief description for each of them, four companies have chosen only one of these considered describing best their organization. Besides that, two companies picked up one attribute from each category, one firm made two choices of organizational culture in order to indicate the appropriate describing. Another firm had not selected any of these. In the table below, a very compacted image of empirical findings is displayed.
<table>
<thead>
<tr>
<th>Company is familiar with TM &amp; definition for TM is given</th>
<th>Swedish Companies</th>
<th>Romanian Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Example of tools used in HRM processes</th>
<th>Recruitment</th>
<th>See above</th>
<th>Personality test (OPQ), behavioral interview technique</th>
<th>Yes</th>
<th>Tests, interviews, induction of new employees</th>
<th>Internal/external market, Online advertising, job fairs, LinkedIn</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection</td>
<td>Internal career activities, development programmes, performance appraisals</td>
<td>-</td>
<td>-</td>
<td>Tests and interviews</td>
<td>Competency based interview, psychometric tests</td>
<td>-</td>
<td>Interviews</td>
</tr>
<tr>
<td>Retention</td>
<td>A strong employer branding communication, long term relation with universities, other tools.</td>
<td>* &quot;Recruit a person who is or can be better than the one who has left position&quot;.</td>
<td>-</td>
<td>Performance reviews, training and mentoring</td>
<td>Succession planning for key position, training and development, performance based bonus</td>
<td>TM review program</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The company measures TM effectiveness</th>
<th>Internal turnover rate</th>
<th>Yes</th>
<th>No</th>
<th>Annual talent base reviews</th>
<th>No</th>
<th>Performance &amp; Potential</th>
<th>No</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Example of actions used in TM process</td>
<td>Recruitment</td>
<td>Global processes with easy to use tools</td>
<td>-</td>
<td>-</td>
<td>*The same as above</td>
<td>-</td>
<td>Formal announces, headhunting</td>
<td></td>
</tr>
<tr>
<td>- The most important process for the company</td>
<td>Selection</td>
<td>See above</td>
<td>Personal testing</td>
<td>-</td>
<td>*The same as above</td>
<td>-</td>
<td>*Interviews with different managers, question-test</td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>See above</td>
<td>-</td>
<td>Intern education as future leaders and personal wishes of the employees.</td>
<td>-</td>
<td>*The same as above</td>
<td>Continuous process with differentiated development framework</td>
<td>Solid induction program</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organizational culture affects talented employees</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes + example</th>
<th>No</th>
<th>Yes + example</th>
<th>Yes</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCNs, PCNs, TCNs play some role for TM</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>-</td>
<td>Yes</td>
<td>-</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Programs for developing leaders</td>
<td>Trainee, career awareness programs for future leaders</td>
<td>Diversity &amp; inclusiveness trainings, diversity networks &amp; measurement</td>
<td>International trainee program (development leadership competencies)</td>
<td>Developmental Leadership and High potential program</td>
<td>E-learning, 360 degree feedback, training, coaching</td>
<td>Executive Development Plan</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>------</td>
<td>----</td>
</tr>
<tr>
<td>Use of talent pool : internal/external</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Internal</td>
<td>No</td>
<td>External</td>
</tr>
<tr>
<td>Practices for talented employees’ research</td>
<td>Performance appraisals, Global Talent Review Process</td>
<td>Leadership pipeline, talent review, career board</td>
<td>“You are interesting in the company and want to develop yourself and us”.</td>
<td>Matching the people’s profiles with the skills and capabilities needed in the company</td>
<td>Performance management, 9 boxes, 360 feedback</td>
<td>Performance appraisal, feedback from line managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Different criteria for recruiting, selecting, retaining talents for international leadership development vs. national one</td>
<td>Yes</td>
<td>-</td>
<td>A couple of year experience within IKEA</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Example for the most important competencies for developing international leaders is given</td>
<td>Lead &amp; empower, decide &amp; execute, work strategically</td>
<td>-</td>
<td>Interest to be a future leader</td>
<td>A high performer+ potential and willingness+ lives and follows the company credo and principles</td>
<td>Business thinking, achievement drive, change and team leadership, developing</td>
<td>-</td>
<td>None</td>
<td>Charisma, empathy with focus on people and relationship</td>
</tr>
<tr>
<td>TM principles established in the company</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>-</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>TM- part of company’s strategy for growth</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Same strategy used for all the countries</td>
<td>Recruitment</td>
<td>X</td>
<td>-</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>X</td>
</tr>
<tr>
<td>Selection</td>
<td>X</td>
<td>-</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Retention</td>
<td>X</td>
<td>-</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>X</td>
<td>X</td>
<td>No</td>
</tr>
<tr>
<td>Examples of areas covered in TM strategy are given</td>
<td>Coaching + mentoring, empowering + sponsoring, training, challenging assignments</td>
<td>Recruitment, attractiveness Diversity and inclusiveness Leader sourcing and Talent development</td>
<td>Mentoring is the most important among other</td>
<td>Mentoring, training, performance reviews, 360 assessments</td>
<td>Training, empowering, coaching, mentoring, spying on competition</td>
<td>Coaching, mentoring, global mobility, develop center, visibility events</td>
<td>Training program</td>
<td>Coaching</td>
</tr>
<tr>
<td>Type of organizational culture</td>
<td>Collaborate</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Create</td>
<td>X*</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Compete</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Control</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

"X" means also yes; "-" means that no information was given; "*" means the most important attribute.
5 ANALYSIS

As we can notice above in the results of each Swedish and Romanian company, there are some differences and similarities in their answers and in this chapter an analysis of these is made. Based on the findings, I have divided the analysis in the following main themes: Talent management and the tools used in HRM processes; Organizational and national culture impact on TM; Development of global leaders and the usage of talent pool; Talent management mindset. By doing so, it is easier to distinguish both the Romanian and Swedish companies’ answers and the comparison between them.

5.1 TALENT MANAGEMENT AND THE TOOLS USED IN HRM PROCESSES

This topic approaches definition given by the companies involved in this study, their tools in the main three process of HRM, namely: recruitment, selection and retention. Also, it can be found the information with regard to the TM effectiveness measurement by the companies. The main used theories on this topic are covered by Evans, Pucik and Björkman (2002), Duttagupta (2005) and Schuler, Jackson and Tariq (2011).

All of the Swedish companies are familiar with Talent Management and could offer us various definitions for what TM means for them. For instance, SEB describes it as the process for ”attract, retain and develop talents”. It is also seen as ”the life cycle of the employees as one process”. The rest of companies also gave other various definitions and illustrated it through examples such as: recruitment and developing co-workers or identifying the right people for the right positions, and this kind of exemplification can be understandable as long as researchers still do not agreed upon only one definition of what talent management is. According to Lewis and Heckman (2006) TM has not clear meaning, but Evans, Pucik and Björkamm (2002) define the term as deliberate actions to attract, recruit, develop and retain those individuals who have the capability to make a significant impact on the results of the firm. We remark that all these companies are aware of the importance of TM and this can be in line with Scullion, Collings & Caligiuri (2010) who state that TM has gained mainstream acceptance in the practitioner community as a key management activity. The three key streams of thinking mentioned in theirs article with regard to TM are also visible in these four Swedish companies, namely: recruitment and develop leaders, succession planning, and development of talent pools and management of talented employees.

Regarding the tools used in the main three processes of HRM (retention, selection, retention), two of the companies come up with concrete examples for each of them, which confirm
Evans, Pucik and Björkman (2002) examples. The other two companies preferred to come with certain examples for the same processes related to TM. For instance, in the recruitment stage, the companies make use of: interviews, psychological tests, a strong employer branding communication, long term relation with universities, other tools. In selection/assessment process the companies make use of almost the same tools: interviews, test, induction of new employees and the like. In the retention processes, tools as: internal career activities, development programs, performance appraisals and reviews, training and mentoring, intern education as future leaders and personal wishes of the employees are the most employed by the Swedish companies. Duttagupta (2005) underlines that an effective recruiting is the beginning of an effective retention and this assertion is confirmed by IKEA which considered that recruitment is the most important process in HRM. Besides that a special role is played by Global Employer Branding because if the company has the reputation as an employer of choices could select appropriate candidates easily. Here Volvo AB emphasized that the scope of recruitment and attractiveness is the promotion of Volvo group through a strong Employer Branding communication and long term relations with the universities. 

When we take a look at TM effectiveness, we notice that three of these organizations measure it by applying internal turnover rate among talent and external stuff turnover or annual talent base reviews. These methods are also congruent with the TM framework depicted by Duttagupta (2005) which displays that talent management system has an impact on business results by measuring talent effectiveness. 

When it comes to Romanian companies, we notice that not all of them are familiar with the talent management. There is one organization where this term it is not included in the company practices. Even so, this company could find a definition of it. On the other hand the other three companies offer different kind of definition as well as Swedish ones. Among these we have: ‘’the system through which employees with high results and high potential are retained, developed and placed in key positions’’ or much more emphasized is defined by UniCredit IFN as ‘’foster the professional and managerial growth of our Leaders and Talents and build a sustainable leadership pipeline, manage strategic resources with transparent criteria, acquire deeper knowledge of resources and a better understanding of their professional aspirations for motivation and retention purposes and define and implement individual and organizational development plans’’. This second example acknowledges the same idea pointed out by Schuler, Jackson and Tarique (2011) who mention that talent acquisition, retention and management became a key challenge in global business. 

In the matter of the tools used in the HRM processes, these four Romanian companies set out examples for each of them. For illustration, in the recruitment stage the organizations deal
with formal announces, informal (like headhunting), rumors, specialised companies in recruitment, newspapers, recommendations. This is also in line with what Evans, Pucik and Björkman’s (2002) examples. Furthermore, Marinas and Puia\(^\text{10}\) find out in their study that Romanian firms make frequent use of internet, job announcements, and references are the most used method in recruitment process for executive and managerial staff. Frank, Finnegan & Taylor (2004) highlight that ”employee retention is king and employee engagement is not far behind” which is confirmed by two Romanian companies which consider that retention is the most important process in HRM. Although, one company has chosen selection process as the most important one and another company considered that all other them have the same salience, since each phase is bringing its benefits in filtering the right person for the available positions. Retention is covered by Romanian companies with different tools as: continuous process with differentiated development framework, TM review program, succession planning for key position, training and development, performance based bonus. All these practices can be found through other examples provided by Evans, Pucik & Björkman (2002).

In the subject of TM effectiveness in Romanian companies, we observe that there is only one company which measures it. At UniCredit Consumer Financing TM is measured through performance and potential. Performance is measured in terms of: sustainability of quantitative and qualitative results, excellent coverage of responsibilities connected to own job, solid and broad expertise. Potential is measured on the basis of: ability to quickly learn from experience and adapt; ability to apply new competences and behaviors required by new, challenging situations; ability to perform in first-time and difficult situations.

To sum up this theme, it can be concluded that the importance of TM is in increasing today and we have seen for instance, that all Swedish companies involved in this paper affirmed that have precise policies in this direction. On the other hand, the Romanian firms have not reached the same level as the Swedish ones, or more exactly only two of them (Bancpost and UniCredit) have presented their tools for working with TM. However, the organizations become aware about this notion, have taken much more progress, some of them (all four Swedish companies but also two of Romanian ones) have elaborated a complex and multifaceted system governed by precise internal norms while other (the other two of Romanian companies) are just in the beginning.

On the contrary, it seems that in Romanian organizations TM effectiveness is measured quite sparsely (one of four companies confirmed that it measures TM effectiveness), whereas three of four Swedish companies stressed that measure TM effectiveness.

\(^{10}\) http://www.asecu.gr/files/RomaniaProceedings/40.pdf
However, the processes in HRM for talents seem to present some differences in practices used for recruitment, selection and retention among Swedish companies on one hand, but also among Romanian companies on the other hand.

If we compare the companies by nationality we may see some difference as well, in the term of talent management as a practice. For illustration, I take one Swedish bank and one Romanian and we notice for instance, that SEB uses personality tests, behavioral interview techniques, while Bancpost uses internal/external market, online advertising, and job fairs. For selection process, SEB uses the same tools as for retention, while Bancpost uses competency based interviews and psychometric tests. Lastly, on retention level, we can see at SEB internal career activities, programmes performance appraisal and at Bancpost succession planning, training, development performance based bonus. Nonetheless, according to Evans Pucik & Björkman (2002) the effectiveness of different recruitment methods for instance varies with the national culture, thus these differences of working with TM tools on the recruitment, selection and retention processes as well as the gauge of TM effectiveness can be explained by cultural aspect.

5.2 ORGANIZATIONAL AND NATIONAL CULTURE IMPACT ON TM

In this part of analysis, organizational and national culture’s impact on talent, on both Romanian and Swedish companies will be scrutinized. Furthermore, a comparison between these companies is attempted to be done. The main theory used in this part is covered by the one from culture part of the theory, namely: organizational culture from Cameron and Quinn (1999) and Bruce M. Tharp (2009), cross-culture and Hofstede’s cultural dimensions, but of course, the concepts about IHRM approached by Dowling, Festing & Engle, (2008) and Evans, Pucik & Björkman (2002) are also used.

By starting with the Swedish companies’ answers for the type of the international company Dowling, Festing & Engle (2008) categorized them in three types as follows: we have the host-country where a subsidiary may be located, the home country where the firm is headquartered and ‘other’ countries that may be the source of labor, finance and other inputs. Then by looking at the type of the employees there are other three levels, viz. host-country nationals (HCNs), parent-country nationals (PCNs) and third-country nationals (TCNs), according to Dowling, Festing & Engle (2008). So, with regard to their answers on questionnaire, we notice that the Swedish companies have answered diversified. For instance, two of them ponder that the type of international company plays a role for TM, while another one does not consider playing any role, and the last one does not respond at all. One possible explanation for those companies which answered that the type of company plays a role for
TM can be the fact that they are aware about culture impact on employees, especially the talented ones. Regarding the Swedish companies’ answers about organizational culture, we can notice in their statements that all of them agreed upon the fact that it affects talented employees. So, we can understand that these international firms are aware and considered that organizational culture play a role for TM. Two of these companies (Ikea and Mechanical Inc.) provide examples in this regard. For instance, when Ikea recruits new employees, they use to ask people about their short term goals, circa 5 years. For Ikea is very important that each employee can develop itself since this lead to developing the company and its business. Besides that, Ikea considered being in a ‘’different world’’, thus we understand the importance of organizational culture and its impact on employees. This can be explained by what Dowling, Festing & Engle (2008) point out in their theory, about today’s international business which involves interaction and movement of people across national boundaries. On the other hand, Mechanical Inc. considered that if the culture is not right, then they will not be able to retain and develop the people who are considered as high potentials. Furthermore, given the fact that there are four main categories of organizational culture with distinctive characteristics as Cameron and Quinn (1999) highlight, the Swedish companies answered vary. In fact, SEB considers as being part of ’’Compete’’ type of culture which is described amongst others attributes by the: employees’ competitiveness with focus on success and reputation; leaders are perceived as productive and demanding, and emphasis on reaching the goals. ’’Compete’’ it is called also ’’Market’’ organization and it is similar to some extent to Control one, but there are also other values such as: competitiveness, focus on relationship and performance. AB Volvo chose the ’’Collaborate’’ type of culture which has attributes such as: pleasant workplace with leaders playing the role of mentor, where the teamwork contribution and consensus are standards; flexibility and freedom of choice instead of stability and control; internal focus and attention to integration. This type of culture is called ’’Clan’’ and it has similar attributes as Control one. Collaborate culture is specific for Japanese organization which used to structure their firms and approach problems within organization like families, thus it received the name ’’clan’’. In this type of companies, people have values as: group commitment, devotion and cohesion, points out Bruce M. Tharp (2009). Mechanical Inc. selected ’’Create’’ culture which is defined by having amongst other features the following ones: a creative, energetic and entrepreneurial workplace where innovation and experimentation are welcomed with focus on growth and individual initiative. ’’Create’’
culture is also called ‘’Adhocracy’’ where there are some similarities with collaborate type, but it emphasize adaptability, external focus, concern for differentiation (Ibid).
The last company, Ikea, preferred to pick up one attributes from each category in order to make a choice that describe best the organizational culture. So, Ikea have chosen: teamwork, participation, and consensus from Collaborate type; experimentation and thinking differently from Create culture; long-term focus is on competitive action and achievement of measurable goals from compete type; stability, performance, and efficient operations are the long-term goals from Control culture type.

Bruce M. Tharp (2009) highlights that there can be mixture of these attribute that represent a company and an important feature is that it must be considered for instance the culture of department within the company. For instance, it can be logical why Ikea chooses one attribute from each type. This company may have one department characterized by collaborate, others by create, another one by compete and also one or more by control culture, thus at the organization level resulted this mixture.

Moving forward to the Romanian companies, we can observe that three of the firms are certain that organizational culture has an effect on talented employees. Furthermore, one of them (UniCredit Consumer Financing) provided an example of how TM can be affected by organization culture and it lies on their believe that ‘’people want and can learn; self-awareness and self-accountability for development is the condition to learn and grow; leadership is about creating development possibilities for the individuals, the company and the communities; learning must be combined with job requirements; learning activities foster innovation, cross culture development and knowledge sharing; learning happens mostly on the job and is led by leaders’’.

Indeed, this company for instance is seems to be aware about the importance of corporate culture. This fact corresponds to the theory exposed by Sanchez (2004) about the main four elements: strategy, structure, people and process and the situation when they are found in balance, then can exists harmony. As researchers have come up with different definitions of corporate culture, the companies by themselves seem to create values that shed light on their processes as well. When it comes to the type of the company, HCNs, PCNs and TCNs, three of Romanian companies ponder that it plays a role for TM. To some extent, these three Romanian firms as well as Swedish ones seem to be familiar with the importance of national culture.
In addition, given the same four types of organizational as earlier mentioned, the Romanian firms answered also various. That is to say, one company could not make any choice, and seems that none of these four types described the company.

Another one (Izotec) chose "Control" culture which has among other, the following attributes: a very formal and structure workplace with much defined rules and norms; focus on performance and stability and where leaders like to coordinate and organize.

According to Bruce M. Tharp (2009), this type of organizations is a bureaucratic and hierarchical organization where stability and control are important values.

Another firm (Bancpost) chose both "Control and Compete" types of organizational culture for describing best the company. So there seems to be a mix between the control values as: control, standardization and stability on one hand, and the compete values as: differentiation over integration and relationship, on the other hand (Bruce M. Tharp, 2009).

The last analysed company is UniCredit Consume Financing which likewise Ikea considers that all types of corporate cultures are found within the company. This fact is emphasized by Bruce M. Tharp (2009) who argues that pure Control, Compete, Create or Collaboration type of culture is very rare met in practice.

All in all, it is significant to connect the firms’ answers on which type of organizational cultures fit them best with the national culture’s effect. Thus, it is essential to take into consideration the main five cultural dimensions identified by Hofstede (PDI\textsuperscript{11}, IDV\textsuperscript{12}, MAS\textsuperscript{13}, UAI\textsuperscript{14}, LTO\textsuperscript{15}) and described earlier in the point 2.4.1.

The main explanation is that the Swedish culture is characterized among the others four dimensions by a high level on individualism, (score 71 compared with a score of 30 for Romania). Accordingly, we find out that "in individualistic societies as Sweden, offence causes fault and a damage of self-confidence, the employer/employee rapport is a contract based on mutual advantage, hiring and promotion decisions are supposed to be founded on merit only, management is the management of individuals”\textsuperscript{16} (Ibid). While in the collectivistic culture as Romania, the relationship between employer and employee is perceived in moral conditions and the promotion decisions take into consideration the whole group. Furthermore, a country as Sweden with low power distance dimension (31) the management style is about equality, direct and participative communication, coaching, and hierarchy is only for convenience. While Romania with a score of 90 on the same dimension

\textsuperscript{11} Power Distance
\textsuperscript{12} Individualism- Collectivism
\textsuperscript{13} Masculinity- Femininity
\textsuperscript{14} Uncertainty Avoidance
\textsuperscript{15} Loyalty Towards Community
\textsuperscript{16} \url{http://geert-hofstede.com/sweden.html}, accessed 2012-03-28
is obvious that hierarchy is important for firms, managers give order and employees accept centralized power and depend on the superior’s directions. According to Hofstede theory, hierarchy, in a company is perceived as reflecting inherent inequalities, centralization is prevalent, subordinates expect to be told what to do and the ideal manager is a benevolent autocrat. In other words, this means that people agree a hierarchical command with no needs for further explanation. With the same score (90) on uncertainty avoidance dimension (compared with a score of only 29 for Sweden), there is a requirement for rules (even if the rules never seem to work), time is money, people have an inner urge to be busy and work hard, accuracy and punctuality are the norm, innovation may be resisted, security is an important element (Ibid). Consequently, the implication of national culture is very clear noticed on organizational one. Romanian firms were inclined to control (hierarchy) and compete as types of organizational culture, while the Swedish firms chose first of all collaborate, create and compete ones.

To summarize, it was confirmed by the firms’ answers that there is not any pure type of organizational culture in practice as Bruce M. Tharp (2009) indicates. It also can be interpreted as normal the fact that for instance two firms founded themselves as a mixt of these types of culture. Each firm is diagnosed by one dominant types of culture but in the same time the attributes from other type of culture can emerge. Therefore, it can be assumed that on one hand, the organization culture can function as a label for the company that shows it and promote it, and on the other hand this fact might be benefic for the talents to can identify from plenty of the companies those attributes that match with their values. In so doing, it is possible that they might find their dream jobs; develop their careers opportunities, competencies, and so on.

If we compare the Swedish firms with the Romanian ones, we can observe that in both situations there are companies (Ikea and UniCredit) who chose one attribute from each type of organization culture (collaborate, create, compete and control). Despite the fact that one Romanian company did not make any choice, the others two left were rather prone to choose the control type of corporate culture, while the Swedish ones nominated create, compete or collaborate ones. From this point, it can be drawn the conclusion that national culture explained with Hofstede’s cultural dimensions may affect the organizational culture and the ways of working in HRM. Nevertheless, with only one exception (Romanian company) rests of firms stressed that organizational and national culture play a role and have impact on talented employees.
In this part of analysis the main idea is intended to approach the findings from both Romanian and Swedish companies with regard to global leadership, competencies for developing leaders and practices used by the companies for talented employees’ research. The main theory used in this part is covered by the Global Talent Management, Talent Management.

To begin with the program offered by Swedish companies for developing leaders, it is distinguished that all four firms make use of a diversified list. It is offered different sort of programs, such as: international trainee program, career planning and awareness programs for future leaders, diversity and inclusiveness trainings and the like. Some of them, e.g. Mechanical Inc. creates their own special program, set up the requirement and the process for fulfilling it. The same companies have also different practices for research and assess talented employees. For instance, SEB and AB Volvo use performance appraisals, career board or talent review. Mechanical Inc. use to match employees’ profiles with the capabilities needed within the company, while for Ikea it is important that the aspirant for the key job is keen and eager to develop himself/herself and to contribute to the company success as well. These organizations are looking at a wide spectrum of competencies when researching the talents, such as: high performer, interest to be a leader, work strategically, decide and execute, lead and empower skills. Evans, Pucik and Björkman, (2002) stress that global talent management includes all organizational activities with the scope of attracting, selecting, developing and retaining the best employees. McDonnell et al (2010) on the other hand highlight that in multinational companies is much more complex and demanding to find and retain the most suitable talents for the strategic roles.

Schuler, Jackson and Tarique (2011) point out that in today’s global competitive environment, the companies encountered different challenges, thus they compete for finding the right candidate for the right role within the right cost. Therefore, it seems necessary to create and make use of talent pool. Accordingly, three of four Swedish companies used in this paper confirmed that make use of talent pool. This is in line with the opinions of other researcher such as Tulgan (2001) and Lewis & Heckman, (2006) who ponder that companies should focus on talent pool and make use of fluid one in order to attract and retain the talents.

In addition, two of Swedish companies have different criteria for recruiting, selecting and retaining talents for international leadership development versus with the national ones. Another firm does not have any different principles and another one does not offer information in this regard.
Continuing with the Romanian companies, it is reasonable to point out that one of these organizations does not have any program for developing leaders. Other two provided examples, such as: trainings, coaching, development plan, etc. When these companies are looking after talents, the common practices for them are: performance appraisal, performance management and 360 feedback\textsuperscript{17}. However, the other two companies implied in this paper do not offer any example.

In addition, three of them are making use of talent pool, e.g. one of them uses internal pool and another one use external pool, while there is another company which does not use talent pool at all. Besides that, for the Romanian companies the most important competencies for developing international leader is exemplified by the answers of two firms. One of them, namely, Bancpost considers that business thinking, change and team leadership and achievement drive are the most important ones. While, another company considers that charisma, empathy and focus on people and relationship are the most important competencies. This fact makes the major contrast with the Swedish companies. Nevertheless, two of these four companies did not provide any answers, so the result cannot be entirely admitted as characteristic for the Romanian firms.

When it comes to examine the possible different criteria for recruiting, selecting and retaining talents for international leadership, three of these four Romanian companies do not have such differentiations.

In conclusion, it can be noted that the Swedish companies seem to be more prepared by having implemented different methods, practices and programs for developing leaders. The most significant difference between these companies appears on the competencies for developing international leaders and in the matter of criteria for the main three processes of HRM applied on international leaders versus national ones (one of these four Romanian firms do not have different criteria, while there is only one Swedish firms which have the same criteria).

Also, three of the Swedish companies have illustrated the following competencies: Lead & empower, decide & execute, work strategically; Interest to be a future leader and A high performer, potential and willingness, lives and follows the company credo and principles. While two of the Romanian firms exemplified: Business thinking, achievement drive, change and team leadership, developing and Charisma, empathy with focus on people and relationship.

\textsuperscript{17} Feedback- 360 degree is a process in which employees receive confidential, anonymous feedback from the employee's manager, peers, and direct reports, according to \url{http://www.custominsight.com/360-degree-feedback/what-is-360-degree-feedback.asp}
5.4 TALENT MANAGEMENT MINDSET

This last topic of analysis is planned to cover the talent management mindset. This means that we are going to find out if the companies are taking TM into consideration in their strategically plans and if these companies have established TM principles, too.

One important action that companies do when they want to develop talent management is to establish clear principles within the organization and to consider TM as part of company’s strategy for growth and development. Taking a closer look at Swedish companies, it is notable that all four of them assert that TM is a part of company’s strategy for growth. Also, three of these companies have established principles within the organization. It is also reasonable to point out that three of four organizations make use of the same strategy in all of the countries where they are established. According to their answers, it means that these three companies have the same strategy for recruitment, selection and retention processes. Moreover, all of the Swedish companies which answered to this paper have presented concrete examples for what they actually do in TM strategy. Accordingly, we have a various areas covered in their strategy, for example: coaching, mentoring, talent development, empowering, performance reviews, sponsoring, etc. Here we could notice that the most common practice is covered by mentoring since all these four companies use in one way or other. This confirms the theory exposed by Evans, Pucik and Björkman, 2002 with regard to global talent management. They emphasize that global talent management should embrace various action in the company’s strategy, for instance: to develop and update global process in attraction, recruitment, induction, training, performance management and to ensure that the local unit employ them. In order to build a talent mindset, the company should also make sure that there are taking place development discussion, succession planning, performance differentiation, mentoring. (Evans, Pucik & Björkman, 2002). An internal consistency between TM processes should also be worldwide within the organization and it appears that Swedish companies are far in the process of building a talent mindset.

To close the loop on Romanian companies, we are informed by these that with one exception, companies have also established talent management principles and they take TM into consideration in their strategy for growth and development. However, the same company does not have any strategy for TM and do not consider TM part of the company’s strategy for development. Likewise Swedish companies, the Romanian one have also provided us with various examples for which areas cover TM strategy. As an illustration, these organizations are using: training programs, mentoring, coaching, empowering. Other interesting areas are covered by spying on competition, develop center and visibility events. In term of the strategy
used for the countries where the companies have activities, we notice that there is only one which uses the same strategy for recruitment, selection and retention. Nevertheless, Duttagupta (2005), stress in her article that a central element of TM is about leadership development and all the company interested in TM should have different programs that fit organizational objective with individuals’ necessities for career.

On the other hand, one company uses the same strategy only for the retention process, while another one for the recruitment and selection processes. Unfortunately, the last company did not provide any answer in order to have a clear image of how the Romanian companies deal with strategy on talent management. Summing up, we can notice similarities between Swedish and Romanian companies with regard to areas covered in TM strategy. As a case in point is mentoring and coaching, but also empowering. On the same trend, there is a Romanian company which does not have at all any strategy for TM and it does not consider talent management part of company’s development, while all four Swedish companies, takes TM into consideration in company’s strategy for growth and development. Furthermore, three of the Swedish companies that answered to the question, use the same strategy for all the countries in recruitment, selection and retention processes. On the contrary, there is only one Romanian organization with the similar strategy used in all countries, while the rest of three have either on recruitment and selection or retention processes.

5.5 SUMMARY OF THE ANALYSIS

To summarize the analysis part, it can be noticed that companies from both countries, Sweden and Romania respectively, have different degrees of understanding and applying talent management. Hence, these firms presented different types of definitions for what TM means for them which is in line with other scholars who have not agreed upon one definition. Furthermore, these firms have also exemplified which tools they used in the main three processes of HRM, i.e. recruitment, selection and retention along with actions used in TM, which are in line with the theory presented in section 2.3, especially by Evans, Pucik & Björkman (2002). It is also important to mention that when it comes to TM effectiveness in this study, there are three of four Swedish companies which measure it, while there is only one of four Romanian companies which do this.

With regard to the organizational culture, it is interesting to note that all four Swedish companies investigated in this paper answered that it has an impact on talented employees. In comparison, Romanian companies by one exception have the same opinion about organizational culture’s effects on talents. A further relevant point is about how the companies have chosen their type of organizational culture when they were provided with
four such types and a short list of attributes as description. On one hand, it is interesting to see that three of Swedish companies indicated collaborate, compete or create type. The forth company preferred to choose one attribute from each type of organization culture, instead. On the other hand, one Romanian company chose control type, another one selected both compete and control types, another one selected all types of organizational culture and the forth one considered that none of them fit the company organizational type. The way in which the companies have chosen can mainly be explained with both Cameron and Quinn (1999) mode, stresses by Tharp (2009) and Hofstede’s study about cultural dimensions clarified in point 5.2.

On the subject of development of leaders it can be remarked that all four Swedish companies have various programs in the sense that they provided us some examples for the most competencies for developing international leaders. In contrast, there are three of four Romanian companies which have such programs, too but only two of them provided examples. In the same proportion, three of Swedish companies, as well as Romanian one make use of talent pool which in fact the companies’ awareness of it as amongst other Scullion and Collings & Caligiuri (2010), Tulgan (2001) and Duttagupta (2005) emphasize. Finally, it can be seen that mentoring, coaching and empowering are the most covered areas in TM strategy by both Swedish and Romanian companies, which demonstrate some of the patterns provided by Duttagupta (2005). Excepting one Romanian company, the rest of the companies as well as all Swedish ones asserted that have established TM principles, and TM is part of their strategy for growth. Besides that, three of four Swedish firms have the same strategy in HRM processes for all countries they operate in, while there is only one Romanian firm which has the same strategy.

6 DISCUSSION

In this final chapter, the study answers on the research questions, i.e. how do companies from Sweden and Romania deal with talent management on the main three processes of human resource management. Also, the differences and similarities of Swedish companies vs. Romanian ones will be discussed through the previous theory presented by other scholars. Furthermore, how the companies involved in the study considered that national culture affects the organizations in ways which influence HRM and TM modes of working. Thus, the themes resulted from empirical findings and analysis parts will be developed in the next sections.
6.1 TALENT MANAGEMENT FROM DEFINITION TO THE MAIN THREE PROCESSES OF HRM

In the theory part it was pointed out that researchers did not agree upon one definition for what talent management is. As long as there are many meanings of this term, it can be logical why the companies involved in the questionnaire have also given various definitions. Furthermore, as the literature review indicates, especially the example offered by Evans, Pucik & Björkman (2002) there are many tools that companies can make use of in the HRM processes. Accordingly, the empirical findings have shown that both Swedish and Romanian companies use some of these tools on recruitment, selection and retention processes. But, it is essential to mention that it has been distinguished both differences and similarities on these practices. Nonetheless, more complex answers of the Swedish firms’ compared with the Romanian ones have been demonstrated. For illustration, there were only two of four Romanian companies which exemplified those practices used in HRM, especially for talent. Additionally, there was a Romanian company which asserts that it is not familiar with the notion of TM; still it formulated a definition of it. Then, another Romanian firm had not provided with examples those practices in HRM for talents carried on. For that reason, it can draw the conclusion that HRM is more developed in the Swedish firms than in the Romanian ones.

Another interesting idea is about talent management effectiveness, where the majority of Swedish companies measure it and unlike them the majority of Romanian ones do not. Duttagupta (2005) argues in her article that organizations which run talent management system should afterwards measure its effectiveness in order to see the impact of it on business result in organization. So, one again, the empirical findings indicate that, Romanian companies have not developed so far a talent management system.

Furthermore, to be able to demonstrate how much the HRM is developed in Sweden versus Romania, Marinas and Puia have used in their research, the Human Development Indicator Report (2007-2008) which had collected data from 177 countries to show the rhythm of human development. Thus, both Sweden and Romania are situated within a high rhythm of development, but the important difference is made by the ranked level. In this index, Sweden ranked six, while Romania ranked sixty. The same authors emphasize that Romania in its transition period to an economy market has brought many principles and methodologies from developed countries. Accordingly, this argument can be an explanation for the differences and similarities regarding these two countries.
As it was presented in empirical findings and later on in the analysis part, Swedish and Romanian companies consider that both national and organizational culture affect talented employees. Given the four type of organizational culture, Swedish companies have chosen collaborate, create and compete type, while the Romanian ones were prone to choose either control, compete, all of them or none of these types. This fact can have an explanation on the national culture aspects illustrated in the point 5.2. According to Hofstede’s (1980) theory about cultural dimensions it was found that Sweden and Romania are on the extreme poles regarding all dimensions.

With a high score on power distance, masculinity, and uncertainty avoidance dimensions that characterize Romania, it can be explained why the Romanian firms are prone to control (hierarchy) organizational type of culture. On the other hand, Sweden with a relatively low score on the same dimensions, except the one for individualism, has been also demonstrated the national culture influence on organization one by the firms’ choices which are prone to collaborate, create and compete types of culture. As other scholars have highlighted in previous research, as for instance: Aioanei (2006), Jackson and Perry (2011), Jackson (2002) etc., the national culture affect the organizational one. As long as the national culture influences the organizational one, it can be claimed that HRM, especially the management of talents is also affected as it is also presented in the empirical findings.

However, it can be argued that other important attributes may contribute to the type of organization culture and they can be considered as follows: the history aspect of the country, the age of the company, the external markets where the firms have established activities, the domain of activity, mergers, etc. Accordingly, it can be noticed for instance that Romanian firms have a disadvantage when it comes to a historical perspective. Here, we witnessed that Romania entered in the market economy from 1989 onwards and it became a member of European Union just in 2007. Thus, it can be concluded that the companies have not the same age as the Swedish ones that never have experienced a command economy under a communist regime and therefore HRM, especially talent management area is not so developed yet in countries like Romania.

Furthermore, the domain of activity is also an important aspect. Here, it may be useful to add that the companies in case have activities in different sectors. For instance, there is only one Swedish bank and one Romanian bank and one Romanian financial firm. The rest of companies have various non-similar areas of activity.
Above all, the size of the firms and the international markets where these firms have established operations vary. For illustration, the Romanian firms have activity only in some European countries as: UK, Germany, Poland, Italy, France, Moldavia, the Balkans countries, Russia, etc., whereas the Swedish companies run their activities worldwide. Consequently, the comparison between these companies and its empirical findings cannot be perceived as generally valid.

6.3 DEVELOPING LEADERS, TALENT POOL AND TALENT MANAGEMENT MINDSET

Firstly, as Tulgan (2001) and Evans, Pucik & Björkman (2002) claim the organizations should focus on using internal or external talent pools, it was displayed in this study with only one exception on each side, that Swedish and Romanian companies make use of talent pool. Secondly, it can be seen that when it comes to programs for developing leaders, all the Swedish companies have illustrated with much various examples those programs used within their companies compared with the Romanian companies where one firm e.g. do not have any program in this regard. This corresponds to Jackson and Parry (2011) examples about Global Mindset Inventory within the GLOBE study that measures leaders, i.e. global intellectual, psychological and social capital. Likewise, the same companies have also exemplified that the practices used when searching for talents are in line with the theory illustrated by Lewis and Heckman (2006) about the main key streams of thinking concerning talent management. The first stream replaces TM for HRM and limits the focus to particular HR practices (recruitment, leadership development, succession planning), the second stream emphasizes the development of talent pools and the third one focuses on the management of talented people. Nonetheless, it is also essential to take into consideration that only two of these four Romanian companies involved in the study have answered more detailed and appropriate compared to Swedish companies to this matter. Consequently, these two companies which operate in banking segment and have also international owners can be perceived as having western development influence as Aioanei (2006) mentions. Though, it is important to keep in mind Dutttagupda’s (2005) argument that in TM is about the few, not the many developing key people as leaders and role models for others.

Thirdly, the talent management mindset was analyzed from the companies’ strategy perspective on talent management. Even if the companies have positively answered on the questions about TM mindset, without having sufficient examples about what exactly cover the firm’s strategy on TM, it might be perceived a little bit difficult to have an overall picture.
Still, a company which has a talent management system as Duttagupta (2005) stresses, can see the result of its strategy of TM on business results. Finally, another aspect approaches the most important competencies for developing international (global) leaders. Accordingly, the Swedish firms have focused on different professional aspect such as, performance, working strategically or leading, which confirm to some extent the theory illustrated by Starkey, Tempest and McKinlay (2004). They consider that focusing on competencies within the company, leads to competitive advantage. On the other pole, the Romanian companies have only partially answered in the same way. In fact, only one firm answered similar as Swedish companies, and another one consider important competencies personal capabilities such as charisma and empathy on relationships. Therefore, the ways of working with TM in HRM and the focus on developing leaders by taking them into consideration in firms’ strategy for development, it may be perceived as being deficient in the Romanian firms compared with the Swedish ones. However, it can be concluded that there was a lack of relevant examples that could form a solid pattern about companies’ TM mindset.

6.4 SUGGESTIONS FOR FURTHER RESEARCH

As Höglund (2012) displays in his article, there is a lack of empirical research with regard to talent management, therefore this thesis can be considered a contribution to the existing ones. While this research has facilitated a better insight on the differences and similarities on talent management concerning some of Swedish and Romanian firms, more academic literature may be approached. The first recommendation for future research thus, will be on the performing the study with a large sample size on international companies in order to have a rich and clear understanding into the study’s findings. Secondly, the more focus should be put on the companies’ domains of activity, i.e. the compared companies should have the same type of activities. This can be done with the purpose of having more relevant results.

Thirdly, as talent management gained such an attention from scholars as well as practitioners latest, it will be interesting that studies on international leadership and talent management mindset can be approached and developed in the future research. Since the globalization has rapidly extent to and shape new models of working and collaboration, it would be interesting to see that upcoming researches approach much more comparative studies related to HRM, especially on talent management between countries from the West and East of Europe.
REFERENCE LIST

7.1 BOOKS AND ARTICLES


7.2 WEB PAGES


7.2.1 Companies’ web pages

AB Volvo


Skandinaviska Enskilda Banken AB (SEB)

Appendix no. 1 - Template of the Self-Completion Questionnaire

Company's name
The person's name and role who complete this survey

Talent Management

1. Is your organization familiar with talent management?
   Yes ☐ No ☐

2. Which kind of tools does your company use in the human resource management processes for talents?

   Recruitment: ........................................................................................................................................................................
   Selection: ...........................................................................................................................................................................
   Retention: ...........................................................................................................................................................................

3. How can your company define the term talent management and, what does it mean for your company?

4. Actions and importance of TM in the main three processes.
   a. How does your company deal with talent management on the main three levels: recruitment, selection & assessment and retention?

<table>
<thead>
<tr>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment</td>
</tr>
<tr>
<td>Selection &amp; Assessment</td>
</tr>
<tr>
<td>Retention</td>
</tr>
</tbody>
</table>

   Which of these steps is most important for your company? Please motivate your answer.

5. Does your company measure talent management effectiveness?
   Yes ☐ No ☐
   Any type of example would be kindly appreciated.
6. Do you think that in your company organizational culture affect talented employees?
   Yes ☐ No ☐
   How?

7. Do you think that the type of international organization (e.g. HCNs, PCNs, TCNs) play some role for talent management?
   Yes ☐ No ☐

8. Do you have a program for developing leaders? Please describe in short word.
   Yes ☐ No ☐

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**Talent pool role**

9. Does your company make use of internal or external talent pool?
   Yes ☐ No ☐

10. Which practices do you use when look after talented employees?

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11. Are there different criteria for recruiting, selecting and retaining talents for international leadership development compared with the national one?
   Yes ☐ No ☐
   Please describe them in short word.

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12. How does your company develop international leadership competencies?

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13. What are the most important competencies when you develop international leadership?

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**Talent Management mindset**

14. Does your company establish talent management principles?
   Yes ☐ No ☐

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3HNCs - the host-country where a subsidiary may be located; PCNs - the home-country where the firm is headquartered TCNs - other countries that may be the source of labor, finance and other inputs
15. Which kind of areas are covered in your talent management strategy and why? (E.g.: coaching, mentoring, empowering and sponsoring, training programs, spy on competition)

16. Is talent management part of your company strategy for developing and growth?

   Yes ☐    No ☐

17. Does your company use the same strategy in recruitment, selection and retention stage for all the countries where is active?

   Recruitment Yes ☐    No ☐
   Selection Yes ☐    No ☐
   Retention Yes ☐    No ☐

18. Given the fact that there are four types of companies as in the table below, which of the following do you think that describes best your organization?

<table>
<thead>
<tr>
<th>Type of organization</th>
<th>Short description</th>
</tr>
</thead>
</table>
| Collaborate          | Open and friendly place to work  
                       | Leaders are considered to be mentors  
                       | Teamwork, participation, and consensus  
                       | Long-term benefits of HR development  
                       | Inward focus with concern for integration  
                       | Flexibility and discretion rather than the stability and control. |
| Create               | Dynamic, entrepreneurial, and creative place to work  
                       | Innovation and risk-taking are embraced by employees and leaders  
                       | Experimentation and thinking differently  
                       | Long-term emphasis is on growth and acquiring new resources  
                       | Individual initiative and freedom are encouraged. |
| Compete              | People are competitive and goal-oriented.  
                       | Reputation and success are common concerns.  
                       | Long-term focus is on competitive action and achievement of measurable goals  
                       | Leaders are demanding, hard-driving, and productive. |
| Control              | Highly structured and formal place to work  
                       | Rules and procedures govern behavior  
                       | Stability, performance, and efficient operations are the long-term goals  
                       | Leaders strive to be good coordinators and organizers. |

19. Further complementary information; optional.