Chapter 23

Talent Development as an Alternative to Orthodox Career Thinking:

The Scandinavian Case

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Abstract

This chapter argues that orthodox career thinking – which focuses on vertical progression to higher-level managerial positions - is suffering from three shortcomings. First, it is insufficient to explain career dynamics in modern knowledge organizations. Second, it disregards the importance of experiential, lifelong learning on the job. Third, it does not incorporate how career is embedded in the organizational and cultural context, including a wide range of national, institutional features.

Based on this, the chapter suggests that we move the focus from narrow career thinking to the more broad-banded concept of *talent*. The talent concept signifies any kind of outstanding competence of an individual (whether it is managerial or any kind of significant specialist field) which is strategically important to the organization, difficult to achieve, difficult to replace by other types of resources, and difficult to replicate by competitors. Also, a broader definition of *how* talent can be developed is needed, as it should encompass informal and experiential methods as well as formal education.

The broader concept of talent is discussed in relation to the Scandinavian context, as the Scandinavian countries (Denmark, Norway and Sweden) are knowledge intensive economies with a highly educated workforce. This characteristic makes a broader talent paradigm much more appropriate that an orthodox managerial career perception and model.

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1. Introduction

The key messages of this chapter are:

- The concept of career is embedded in the organizational and cultural context and has its roots in the traditional hierarchical, bureaucratic organization

- The organizational context is mainly determined by strategic features, whereas a wide range of societal, institutional features determine the broader national cultural context

- Orthodox career thinking – which focuses on vertical progression to higher-level managerial positions – is increasingly seen as insufficient to explain career dynamics in modern knowledge organizations, e.g., project, matrix, network or virtual organizations

- A major reason for this is the fact that traditional career models do not see and incorporate the importance of lifelong, experiential learning situations on the job

- In addition, from a resource point of view other categories than actual and/or potential managers should be considered as strategic resources, e.g., high-level specialists and other key employees. Hence, the concept of career should be broader in terms of *who* we view as talented and encompass more than just leaders/managers (cf. Guthridge et al. 2006; Lopez-Cabrales et al. 2006; McDonnell et al., 2017)

- The chapter suggests that we (as researchers and practitioners) move the focus from narrow career thinking to the more broad-banded concept of *talent*. The talent concept signifies any kind of outstanding competence of an individual (whether it is managerial or any kind of significant specialist field) which is strategically important to the organization, difficult to achieve, difficult to replace by other types of resources, and difficult to replicate by

competitors (Collings & Mellahi 2009)

- Also, a broader definition of *how* talent can be developed is needed, as it should encompasses lifelong informal and experiential methods as well as formal education

- Consequently, the broader concept of talent – stressing the importance of experiential learning within a range of strategically important competence areas, operates with a longer time frame, because it focuses on lifelong learning and has an acceptance of (and almost an expectation about) individuals as being interested in continuous development of capabilities (i.e., knowledge and skills)

- These characteristics are to a high degree found in the Scandinavian countries, which are characterized by knowledge intensive organizations with many highly educated and skilled employees. Hence, Scandinavian organizations have a long tradition of focusing on human resource development, employee relations and good working conditions

In sum, the Scandinavian model for career and talent development thereby meets some of the more general tendencies we are seeing in career research such as a movement towards boundaryless careers and (in particular) talent management, more focus on experiential, lifelong learning and knowledge sharing between among a highly competent workforce as a source for competitive advantage.

2. An uneasy look at the traditional career concept

For many reasons, there is an increasing uneasiness about traditional career models, and we see a paradigmatic change in progress, moving from career to talent development. There are several reasons for this. First, there is an increasing *concern* about contemporary career theory and the need for advancing this theoretical field to meet contextual demands. In particular, the traditional

perception of career as an elitist, vertical, managerial career path is challenged – and found partly outdated (Thunnissen et al. 2013; McDonnell et al. 2017). Second, there is a shortage of appropriate theories and models of career systems/processes catering for *knowledge intensive* organizations and economies where a vast range of competence profiles and not just managerial candidates are needed for organizations to achieve or maintain competitive advantages. Third, the concept of *talent management* is catching increasing interest as a new career paradigm, creating a synergy and mutual dependency between individual and organizational development. Forth, and related to this there is an increasing awareness of the vast, but often underestimated, power of *experiential learning* processes (and hence lifelong learning). This is not to disregard formal learning, but rather than seeing experiential learning as a non-significant add-on to formal training, experiential learning is increasingly regarded as the most effective and most widespread source of competence development. This being said, however, an organization should aim at maximizing the synergy between formal training and experiential learning (on the job).

We will briefly present and discuss the traditional career paradigm. In the following section we will move on to talent development.

Managerial career development: Why and how?

A very widespread and vigorously worshipped example of traditional career thinking is high-flier managerial career development programs. We will analyze this model in order to highlight the characteristics and challenges of traditional career thinking.

There are many reasons why the elitist, vertical career paradigm is interesting to study. One is that it constitutes the backbone of career management in many organizations and hence has considerable practical significance. An organizationally molded career system reflects in most cases explicit

objectives by the host organization in terms of screening talent, developing managerial competence, and procuring a stock of high potential managers for future appointments. However, traditional career thinking and models also represent a concentration of many methodological problems found in career theory in general. Hence, it illustrates, at least in our view, many of the weaknesses of traditional career theory, thereby making visible a number of areas where further research and practical experimentation with alternative career concepts are needed. After defining the high-flier concept and discussing why, for who and when fast-tracking is used, we present alternatives to this concept.

High-flier programs can be defined as a *systematic method for screening, socializing and developing* a group of employees who have been *identified and classified* by the organization, either when initially hired or at a later stage, as having *potential for vertical upwards career movement* (usually to managerial positions), cf. Bjorkman et al. (2013). The main *purpose* of high-flier programs is to develop a stock of highly competent and committed employees who are able and willing to take on future managerial roles and other key positions in the organization. This career progression will normally comprise positions with an increasing content of *managerial* tasks and responsibility. The participants are assigned tasks or jobs that are explicitly selected or designed to enhance competence, often in the form of systematic job rotation schemes. In addition to task and job assignments, the members of high-flier programs are usually enrolled in special training programs and mentoring schemes, as well as receiving exposure to specially designed performance appraisal systems, all of which are intended to support the development of individual, managerial competence, cf. Lewis & Heckman (2006).

In a strict sense, there is no qualitative difference between high-flier programs and other

development programs for members of an organization. Job transfers can be experienced by nearly all staff members. Promotion can take place without having been enrolled in a high-flier program, and some people do move up fast, without having been in a high-flier *program*. However, what makes these high-flyer programs so distinct, is the *intensity* and degree of *formality* in the training activities, the *selectivity* regarding who will be permitted to enroll, and the *elitist* perspective on the development process itself, as it usually comprised no more than 1-5 % of total staff – in most cases even less. The rationale for the high-flier ideology is that these career systems make it easier for the organization to provide "the right" individuals with "the right" development at the "right" time, *and* – in addition to this – that the individuals find such development opportunities attractive.

Problems

Unfortunately, there is an increasing concern about the disadvantages of the corpocratic, elitarian managerial career concepts. The common, underlying theme of most of these issues is the *unintended* consequences of an organization's deliberate attempt to monitor the career systems. Although many organizations have launched high-flier programs, and although the popular literature offers much advice about how to run such programs, there is concern in the academic literature about the problems inherent in high-flier programs. Surprisingly, this critique was posted at an early stage, but largely in vain. For instance, Thompson put it strongly back in 1985: "The strategy of rapid movement, reassignment, and/or promotion associated with "high-flier" programs is creating serious problems in many American companies." (1985:212). Nevertheless, the dogmatic perception of career as a managerial voyage has remained – albeit it is being met with increasing criticism. We will present some of the problems and by high-flier programs and discuss to which extent they are counterbalanced by the advantages of the very same systems.

Job assignments on the fast-track

One of the most serious problems with high-flier programs is the frequently poor content and quality of job assignments. Since most learning in fast-track programs takes place on the job, and as the individual is usually exposed to frequent job transitions, the content and quality of jobs is significant. In accordance with this, a lot of thinking and planning goes into defining jobs which are believed to have maximum learning potential for the job incumbent. However, since the individual usually spends a fairly short period of time in each job, and since some of these jobs have even been defined as permanent stepping stones for fast-trackers and are hence never performed by permanent staff, such jobs often lack authenticity. They have often been designed with the intention of creating meaningful training for an individual who is not familiar with the core business of the given department, and who is not going to stay long enough to learn it anyhow. Hence, a number of tasks are compiled which are often not very urgent, not very important, and do not require deep insight to be performed.

The lack of authenticity and importance in many fast-track jobs presents a series of detrimental effects. The individual may not be as committed, may not be held very responsible, and may not receive the same precise feedback as would a permanent member of the group. The immediate social surroundings, peers, superiors and possible subordinates, will be less likely to invest a lot of energy and time in an individual who is going to leave soon anyway. The superior, in particular, who is usually asked to monitor and assess performance, will often not only find this very difficult, but also not very tempting to dig into if the performance is deficient. It is easier to simply pass the problem on to the superior next in line. And those with the overall responsibility for the high-flier program, typically the HR manager and representatives of top management, will have difficulties obtaining valid, reliable and detailed feedback on the performance of each participant, not to

mention on the success of the program as a whole.

Self-fulfilling prophecies

The potential risk of creating a self-fulfilling prophecy implies that even if people who get selected for a high-flier program *were* actually *not* the "right" people, they *become* the right ones due to the inertia and self-fulfilling properties of the fast-tracking. (We reckon that the word "right" is very general, but we mean ideally the mix of competencies objectively needed for the job). Creating such self-fulfilling prophecies is a risk organizations face. Why and how does this happen?

First, the more pomp and circumstance involved in the *recruitment process* itself, the more the communal perception will be that this is serious business. If the subsequent *selection* process is very comprehensive and carefully designed, this in itself increases the likelihood of successful selection, but the potential undesired side-effect is that it may be the beginning of a self-fulfilling prophecy. Many key people in the organization have a stake in who should be hired. Hence, if these candidates do not make it, it falls back on the people involved in the selection. "The show must go on", so to speak, and through rationalization and reinterpretation it gets to look plausible that the high-fliers are genuinely talented people.

After selection comes organizational entry and onboarding, including an announcement to other employees, locally or throughout the organization, that a number of high-fliers have been hired. This tends to influence the perceptions of colleagues from the very outset, just like when an individual is told that the new sales representative in the company happens to be the son-in-law of the company president.

Even more influential is *job performance in the early stages*. We have previously discussed how high-fliers are promoted at a quicker rate, and stay shorter periods of time in each job, than

comparable peers not on the fast-track. One of the main reasons for this is that initial performance has a signaling effect on those involved in subsequent decisions about job assignment, training, and promotion. Hence, impressions left behind from early performance tend to stick with the individual, becoming part of the image that affects offers for further career steps. A signaling effect is created, starting right back at the selection process and following the person throughout his/her career.

Another factor contributing to the creation of a self-fulfilling prophecy is that: "High mobility often becomes an indicator of success and thus an end in itself; rather than what it was originally intended to be - a means of training general managers." (Thompson, 1985:26). The formal and systematic nature of the high-flier program makes it very *visible* in the daily life of the organization. The earmarked jobs are well known, and so are the candidates, the training activities, and the most common rites of passage. This explains why high mobility can become in and of itself an indicator of success, as mentioned above, and why participants themselves strive to get ahead quickly.

Organizational jealousy

So far we have mainly discussed the effects of the fast-track on program participants, and on the organization as a whole. A very important issue, however, is the impact on individuals who *do not* participate in the fast-track. With all the attention given by top management to high-fliers, plus the amount of organizational resources devoted to the program, as well as the attached ceremonies, non-participants are bound to feel slighted, creating an atmosphere of organizational jealousy. Although visibility and transparency may facilitate the functioning of the fast-track system, a balance must be found to help offset the disadvantages.

How much discontent is created depends to a great extent on the organizational culture. If the

overall culture itself is very individualistic, competitive and result oriented, fast-tracking may be much more accepted than in a culture emphasizing joint effort, teamwork, cooperation, egalitarianism and a "don't try to stand out in the crowd" approach to individual performance. If the culture is of this type, it will be tempting to keep a lid on the fast-track program, remove as many ceremonies and symbolic acts as possible, not say or write too much about it, and perhaps even reduce it to a confidential system.

Perspectives: The need for a new paradigm

High-flier programs identify systematically the career development needs of the organization, recognizing individuals who have got the potential to undergo intensive, often managerial, personal and professional development. These programs establish career paths ("tracks") expected to provide the "right" people with the "right" competencies at the "right" time. This rationale and logical type of career system has a number of virtues in certain types of organizations and in certain organizational contexts, particularly in stable environments with predictable futures.

However, as it has been documented, the inherent problems are numerous, and increasing in number and importance. One major problem is the growing gap between the old organizational characteristics necessary to establish and run a high-flier program, and the characteristics of modern organizations: flexibility, individualization, virtual communication, new organizational designs, open innovation, crowdsourcing etc. The prerequisites in terms of internal and external stability, anticipation of the future, hierarchical organizational structure and strong managerial roles, are being increasingly challenged, and we have provided numerous examples. However, the rhetoric of many organizations, including their top-level and HR-managers makes it difficult to get out of the quandary of being expected as an organization or as an individual to know just where you are going.

Another major critique is the psychological problems and side-effects which are often linked to high-flier systems. Lack of vertical career motivation, jealousy among peers, and low levels of satisfaction among the participants are some of the problems we have discussed.

There is also increasing concern about the risk of self-fulfilling prophecy. Whether the fast-track is doing any good for the organization and its members, it certainly is doing something. What is intended to be an aide to career dynamics becomes the master and creates its own logic and justification. This is intensified by the fact that many key people of the organization have a stake in the perseverance of the system. Besides, measuring the effect of a complex phenomenon like fast-tracking is almost impossible anyway. Many of those who could testify as to the effects will have left the organization, in particular some of the participants.

A high-flier program is also a production system in which the output is the employees. The production period is fairly long, and production begins at a time when the future need is uncertain. But it is difficult to stop production or change the nature of the products. Therefore, serious disharmony between supply (high-fliers) and demand (the need for high potential managers) can occur.

This shows that even if the organization has the system in place, and the intent is to put some people on the escalator up, this does not necessarily happen. When it does not, it creates the problem mentioned above, where the high-flier system creates expectations which cannot be met, and hence causes frustration among the high-fliers. An authentic example illustrates this:

A major corporation launched a very prestigious career program. At the opening ceremony, the

CEO said in the middle of his speech to the participants in the program (and their bosses): "You are first in line!" Nevertheless, it turned out 1-2 years later that some vacant positions, for which the participants thought they were the ideal candidates, were filled with *other* employees. It created serious frustration among the participants, and they all referred to the one sentence (i.e., promise!): "You are first in line!"

Research advocates that it is likely that these problems will not decrease in the future (McDonnell et al., 2017). The fast-track model rests upon a traditional power relationship and a psychological contract between employer and employee, commonly found in hierarchical organizations. It also rests upon an assumption that participants are being trained for organizations and jobs that will exist in the future. However, organizational structures are changing, and even if that was not the case, the fast-track goal where an individual succeeds in moving up in the organization may in fact be a trap.

Fundamental changes in the job concept may also have implications for career dynamics – a fact which also has been stated in the past:

> In this frame, a person's work career consists of a whole set of activities (part-time jobs, self-employed undertakings, temporary assignments, three-year team projects, work-at-home periods, sabbaticals, and so forth) that may not and probably will not come neatly packaged and defined as a "job" in one organization... (Mirvis & Hall, 1996a:93).

In short, there is a need for a broader range of career systems and conceptions, catering to other types of organizations, cohorts, purposes, and contextual impacts.

In this paper, we are mainly concerned about one particular limitation of the traditional career concept, i.e., that any career concept (and career practice) has to incorporate the importance and impact of *national, cultural features*. As it turns out, the traditional career thinking is *not* very compatible with the cultural context in Scandinavia. We will therefore in section 4 present the Scandinavian context at a societal and labour market level.

Prior to that, however, we will in the following section present a talent development concept, which aims at (1) overcoming some of the limitations of the traditional career concept, (2) taking into consideration the Scandinavian cultural context, and (3) encompassing the implications of strategic change in an organization as catalyst for talent development.

3. The talent concept as an alternative to career

From career to talent

As the chapter has shown, there is a (need for) a general development from elitist, managerial career development to talent development. Two significant milestones in the history of career research have actually responded to this need, i.e., the concept of career anchor (Schein, 1978), and the concept of boundaryless career (Arthur and Rousseau, 1994). We will briefly describe these two "claims of land" in career theory before we move on to the actual talent concept. It is ironic that both studies are impressive pieces of pioneer work, have opened new doors for research and practice, but not succeeded in getting practice (= organizations) out of "the inner prison", understanding career as an elitist voyage to managerial positions.

Career anchor

Based on a longitudinal study of a group of Sloan School alumni, Edgar Schein (1978) identified an

"occupational self-concept" which he coined "career anchor". This self-concept gradually crystallizes as the person gains self-knowledge in the early phases of his/her work life. The career anchor is a constructed image of career and has according to Schein three components:

- Self-perceived *talents and abilities* (based on actual successes in a variety of work settings);

- Self-perceived *motives and needs* (based on opportunities for self-tests and self-diagnosis in real situations, and on feedback from others);

- Self-perceived *attitudes and values* (based on actual encounters between self and the norms and values of the employing organization and work setting). (Schein 1978, p. 125, quoted in extract).

In his empirical study, Schein investigated the underlying philosophy of the "anchor" concept, and analyzed whether different individuals have different career anchors. Through this study, a number of career anchors were identified:

- technical/functional competence

- managerial competence

- security and stability

- creativity

- autonomy and independence

The purpose of the career-anchor concept was to highlight the gradual integration of motives, values, and abilities in the person's total self-concept. However, the fact that there is an interaction between "what we want and value" and "[what] we are good at", does not imply that these two concepts are identical, or for that matter overlap to any noticeable extent. Motives, needs, attitudes and values, all being part of the "anchor" definition, have in common an intensity, direction and rationale for allocating energy and emotional investment in behavioral patterns. Talents and abilities

then (again to use Schein's own words) represent a competency dimension, referring to the prerequisites for performing certain tasks or behavioral patterns. Only if competency is defined as the actual activation of latent resources (qualifications) - and hence contain the mobilization of psychic energy - will the two conceptual conglomerates overlap.

An important, general consequence of the career anchor concept is recognition of the necessity for organizations to provide a series of potential career tracks which match the broad range of career anchors of employees. Having a potentially wide career path which has no exits and only leads to one place (managerial, hierarchical positions) may create frustration for the employee whose career anchor does not fit this track. However, as mentioned earlier, more and more organizations, especially hi-tech, service and knowledge organizations, are to an increasing extent dependent upon a broad range of employee profiles, such as generalists, specialists, project team members, and entrepreneurs. Hence, it is in the interest of the organization not only to recruit people with very diverse backgrounds (including different career anchors), but also to create a multi-track career system and culture, "breeding" (or maintaining) people with very different career anchors. This may be, but does not necessarily have to be, a formally established career development program. The culture, compensation practice, status system, and performance appraisal systems can in themselves support or threaten the willingness and ability of the organization to cater to a variety of career anchors.

Boundaryless career

The concept of boundaryless career was launched in the early 90s and does indeed represent a radical alternative to the managerial career concept. The following quote clearly states this, as well as it nails down the core features of boundarylessness:

> The *company man*, if not entirely extinct, is a *rapidly dying species*. As with many

endangered species, his environment has changed and become *inhospitable*, and a new *species*, more *adaptive* to the changed environment, is taking his place. This person is known as the *mobile* worker, and the environment is the *boundaryless career*. Mobile workers *identify* themselves by the skills and positions they have *achieved*, not by their affiliation with a particular institution. Their careers are delineated not by the traditional constraints of an institution, but only by their ability to *navigate* the new *boundaryless terrain*. While the old company man moved up the *company ladder*, mobile workers move up any *ladders onto which they can get a foot*. They rise in their careers by *hopping* from firm to firm, with an eye toward *ever-better* positions, and the firms which employ them often *benefit* by gaining *ambitious* employees who bring new *ideas, creativity, and the enthusiasm of new blood*. (Rosenbaum & Miller, 1996:350, emphasis added)

The quote represents an impressive concentration of propositions regarding career theory, including a "foot in the door" towards the broader concept of talent. In addition, the quote stresses two very important features: the sensemaking nature of career and talent, and the interaction and interdependency between the individual and the organization.

The individual is not only an independent sensemaking entity, but also part of a collective learning process, in that "the concept of enactment suggests that individuals are agents of their own development, but not simply because they are active, controlling, and independent. People also organize cooperatively in order to learn" (Weick, 1996:45). This sensemaking does not take place in a "vacuum", as the individual operates and enacts within a context which s/he has helped create him/herself.

Through this, an interdependence is created between boundaryless careers and boundaryless organizations. This demonstrates that individuals through "communion-like, cooperative learning" (Weick, 1996:46) manage weak organizations, turn them into stronger ones, but are, as a

consequence, constrained by their own constructions. The career evolves as a dynamic interrelationship between the role of the actor and the communal organizing process:

> [A]n unfolding boundaryless career combines the communion of organized learning, the agency of environmental control, the communal acceptance of the environments and scripts thus created, and the agency of further structuring of initiatives driven by new recognition of what remains to be known and done (Weick, 1996:47).

Improvised work experiences and experimentation provide the basis for retrospective sensemaking and prospective action. Traditional career scripts are of questionable value in heterarchically structured organizations, which facilitate collective learning, enactment, organizing, projects and self-design. Boundaryless careers evolve, and through the enaction and organizing these careers shape boundaryless organizations. People are independent actors, while simultaneously participating as part of a communal learning process, and this complementary relationship provides the basis for the creation of boundaryless careers, leading eventually to boundaryless organizations.

The talent concept

In a sense, we are taking in this segment the full step by changing the focus from career to talent. We are getting out of what was called "the inner prison" of orthodox career thinking, at the same time as we are building on two significant revisions of this research tradition, i.e., career anchor and boundaryless career.

The concept of talent was in the beginning of this chapter defined as any kind of outstanding competence of an individual (whether it is managerial or any kind of significant specialist field) which is strategically important to the organization, difficult to achieve, difficult to replace by other types of resources, and difficult to replicate by competitors.

We will base the discussion on this definition. However, it deserves to be stressed that there is a wide range of definitions each with a slightly different color and emphasis. McDonnell et al. state that "… there are strong evidence to suggest that the field is hampered by the lack of an agreed definition of TM (talent management, ed.)…" (2017, p. 93) and actually refrain from coming up with one, generic definition, despite the fact that they review 88 studies of talent management. Let us just conclude this conceptual discussion by stressing that some definitions are very narrow (= management oriented career) or – in contrast – very broad, actually considering HRM and talent management being the same thing (McDonnell et al., 2017) or talent management and leadership being the same (Macfarlane et al.'s (2012). Somewhere "in the middle" one finds definitions like the following, quoted from Cheese et al. (2008):

> Essentially, talent means the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work." (p. 46).

We have in the previous sections seen that talent is context-dependent and only can be defined in relation to the context. Talents – or the capabilities – are fluctuating, i.e., liable to shift over time in terms of perceived value and important as strategy shifts. Hence, there is a link between the organizational context, strategic goals, the presence of talent and competitive advantage.

Talent development can – as a lifelong learning process – take place as *formal learning* within the organizational context (learning-on-the-job and through the impact of organizational processes/changes) or outside (through e.g. external leadership development programs, executive education). However, the job, the organization and life outside work is an often under estimated fruitful platform/arena for *experiential learning*. Knowledge workers and knowledge organizations have special features and advantages in terms of boosting learning and stimulating core

competence, due to the priority given to human capital – and as drivers/environments for experiential learning.

Discussion

Before we move on to an analysis of the Scandinavian context (and the implications of this for talent management), we will sum up the advantages and disadvantages by relying (in research and practice) on the talent concept (as a substitute for the previously widespread use of career concept).

First, the *advantages*:

- "Talent" refers to any kind of strategically important, necessary core competence in an organization and helps it achieve its objectives. Hence, it is of direct, "egoistic" interest to the organization to emphasize talent development

- In knowledge organizations (in particular), talent is found and needed within all major professional domains/occupations. Hence, knowledge workers (= professionals) within these domains are potential talents pools, which is a much broader mindset than focusing exclusively on managerial talent

- Talent management is not restricted to or dependent on formalized, elitist programs. In contrast, experiential learning (e.g., learning on the job or even learning from significant features of private life) are the most common, powerful and authentic learning method, and the implementation of the learning content is easy to implement in the job

- Relying on the talent paradigm requires less formalized, institutionalized apparatus than using career as your totem pole. You save resources, time and space

- Because "talent" is a more democratic, accessible and transparent ideology and practice than "career", it tends to create less organizational jealousy than a prestigious career program

- Talent development activities are not as much as career programs relying on deliberate, long-term strategic planning and anticipations about the future (life of the organization). Hence, talent management is more flexible and agile if/when "the picture of the world" suddenly changes – which it usually does….!

- Talent management matches much better than orthodox career programs with the versatile, flexible, changeable context, within which organizations operate today

- It also matches with new organizational types and challenges, caused by the disruptive development in technology, virtual communication, innovation, crowdsourcing and interaction with more assertive stakeholders (inside and in particular outside the organization).

However, there are also some *disadvantages* by the talent (management) concept:

- As talent comprises a range of competences and not just the small key hole called managerial career, it can provide all employees with the understanding that "we all are talents". Talents in an organization are still a minority. The more you open the door, the more the distinction between talent development and (general) competence development (for all) dissolves – and it loses meaning to talk about a special phenomenon called talent

- Hence, you may still find organizational jealousy, albeit less than in traditional career management

- It is less prestigious (and may even be unpleasant) to learn from experiences on the job, and making mistakes, taking bad decisions etc. may even be risky and harmful to the individual

and the organization. Also, it is much more difficult to foresee, plan and monitor experiential learning processes. So, despite the fact that experiential learning usually is much powerful and easily transferrable to the job, it may be less popular and wanted by the potential learners

- Experiential learning (and organic talent development) unavoidably takes place within an organizational context. Hence, it "takes taste" – again unavoidably – from the context, i.e., the organizational culture, routines, habits, do's and don't's etc. It doesn't take you out of the box, so to speak, although it very easily takes you out of the comfort zone.

As it will appear from the following section, despite these shortcomings and challenges, talent management is a robust tool to increase the effectiveness of organizations, as well as the competence development and engagement of people working in organizations.

4. The cultural context in Scandinavia

Cultural similarities at various levels

Hence, in this section we aim at documenting the characteristics of Scandinavian management in terms of management style and practice. The focus is on the three core countries of Norway, Sweden, and Denmark, in fact a region, but a region where the individual country represents civic values and a management style that make them largely homogeneous in culture. This may seem the more surprising since in many factual aspects such as geography and natural resources they are very different from one another. As a consequence of this relative homogeneity we may consider the three countries a country cluster (Inglehart 2000), actually one of the best examples of a country cluster that the world has to offer (Schramm-Nielsen et al. 2004:182)

In the following, we will treat some of the similarities in more detail at different levels of analysis,

the societal level, the labour market, the organizational level and the level of people management.

The societal level

We find a surprising number of societal and organizational similarities including:

- Similar philosophy in societal institutions;

- Advanced welfare states;

- Social solidarity;

- Strong trade unionism;

- High level of general education;

- High female participation on the labour market; and

- Relatively small wage differentials. (Schramm-Nielsen et al. 2004:150)

All three countries are welfare states of the Scandinavian type. The main difference between this type and a continental European type or Anglo-Saxon type is that it follows a universal principle, meaning that everybody is entitled to social security benefits independent of income, prior or present. In other words, a person is entitled to social benefits whether he or she has ever had a job or an income (Schramm-Nielsen et al. 2004:8). Unlike a number of other European countries, in Scandinavia, the welfare state is not a social security arrangement or an insurance against poverty, but rather a contract between the State and the people. One implication of this is that people's expectations and attitude towards the State are more positive than in the rest of Europe. The State is seen less as an authority and more as a service organ (Andersen 1991/ESKA 1998).

The confidence of the citizens in their public institutions is a social capital of great value, which

gives a sense of common destiny, makes everyday life easier and less bureaucratic than in many other countries

The labour market

The power of the labour movement is legendary in Scandinavia. The industrial relations system in Scandinavia was based on 'basic agreements', first in Denmark in 1899, later in Norway in 1936 and Sweden 1938. The basic agreements stipulated the ways of regulating the labour market: basic union rights, the managerial prerogative, the collective agreement as the way to regulate wages and work conditions, and ways to solve industrial conflicts. Another key element in the Scandinavian model is the role of trade unions. Over and above relatively high levels of membership in Sweden (67%), Denmark (67%) and Norway (53%), Gooderham et al. (2019), point to the even higher levels of bargaining coverage; Sweden (90%), Denmark (84%) and Norway (67%). Bargaining coverage is a potent indicator of trade union influence and recognition. However, Gooderham et al. emphasize that there are qualitative aspects to the role of trade unions in Scandinavia that are peculiar to Scandinavia. Not only is relationship between managers and unions in Scandinavia very different to that of the USA or UK where trade union membership and influence is largely non-existent, but it is also different to for example Germany where trade union influence remains high. Gooderham (2019:233) argue:

> (Unlike in Germany) in Scandinavian countries, employment law is sufficiently general and trust between partners sufficiently high to permit the HR function to engage with employees and their unions on new practices. However, collaboration and flexibility has its limits. Changes in employment practices are subject to bipartite agreements and labor unions can withdraw their cooperation in the case of disagreement with management. This institutional framework contributes to a

particular Scandinavian management style characterized by a "democratic mentality" and by informal employee involvement in decision-making (Lindeberg, Månson, & Larsen, 2013).

The Scandinavian system has ensured orderly and responsible negotiations on the regulation of pay and working conditions for virtually the entire labour market, creating relative peace and stability for employers and constant gains for workers (Schramm-Nielsen et al. 2004:11).

Changes to industrial relations in Scandinavia are most obvious in Denmark with its introduction of "*flexicurity"* According to this model manual workers as well as white collars enjoy little legal protection against dismissal; this is compensated by fairly generous welfare provisions and training opportunities for the unemployed. Danish companies can easily get rid of redundant people, and for that same reason they willingly take on new people as soon as the economic prospects improve. This makes the labour market extremely flexible and mobile. However, a notable feature of the Danish model is that the trade unions are involved in downsizing decisions.

In 2020, unemployment is lower in Norway (3.8%) and Denmark (3.7%) than in the average for the Euro area (7.5%), and it has been so for a number of years, whereas Sweden with its production of automobiles and other heavy industry fares less well (6.8%) (source: *Economist*, 2020).

The World Economic Forum evaluates the economic competitiveness of a large number of countries (133). In its annual report for 2019, the Scandinavian countries are among the top twenty: Sweden number 8, Denmark 10, and Norway 17. Further, it concluded that the Scandinavian countries are among the world's most technologically advanced, innovative and dynamic while also providing better living conditions and social protection.

The possession of a well-educated labour force is one of the major explanations for a high level of

competitiveness, and this goes for blue collar as well as white-collar people. Many blue-collar workers have an apprenticeship education or technical schooling of three years on top of 9 or 10 years of compulsory school. These days this will necessarily imply a certain level of IT knowledge. More broadly, in 2018, for the population aged 30–34, tertiary educational attainment for Sweden, Denmark and Norway was respectively 52%, 50% and 51% compared to about 40% for the EU in general (Eurostat, 2019).

An interesting feature here is that, in the younger age groups, females are better educated than males, whereas the opposite holds true for the older age group.

Organizational level

In general Scandinavians favour 'top light' management hierarchies with as few layers as possible. Hierarchy is considered a necessary evil for the functioning of an organization, but not a goal in itself, and the general opinion is that it should be kept to a minimum. This is also evident on the shop floor, where we find remarkable examples of wide spans of control, with between 60 and 150 operators per process leader. Advanced information technology is used to plan production and distribute tasks, and from the screen each operator can easily see what to do next, so that a foreman is not really needed. In some cases, the group coordinator task may rotate among the operators without extra pay, or simple tasks rotated in order to upgrade skills and promote multi-functionality.

The lack of strong traditions of hierarchical authority is important, since high value added production based on a well-educated workforce is likely to be the future for Scandinavia and the world in general.

Also, in a Scandinavian setting, there is little or no personal control of subordinates' work, since they are supposed to be responsible for their sphere of work. They are self-directed, and control

systems on the personal level are only enacted if something goes wrong. In his analysis of change at a Norwegian bank Gjelsvik (2019: 308) observes that:

> American businesses, not least in the banking industry, are characterized by a high degree of management by directive compared to the more participative Scandinavian model. Therefore, bank employees in the US typically have less autonomous jobs than their Norwegian counterparts. Employee behavior is directed more through detailed manuals and hierarchy than through development-oriented, cooperative projects as is the case in Norway where empowerment has a long tradition. In addition, the distance between Norwegian managers and employees in terms of both salaries and mentality is smaller than in the US.

One of the characteristic features of management in the Scandinavian companies is the emphasis put on information, discussions and suggestions before decision-making. This is seen in the many types of meetings; some are regular, others more ad-hoc. For the formal meetings there is a written agenda, which may stay unaltered for years, and in most types of meetings, minutes are taken and distributed to whoever might be concerned. This contributes to an open communication flow. Management meetings often involve several departments or several levels of the hierarchy, and this has become more common due to process-oriented organization structures, coordination committees, more or less permanent projects, or even matrix structures.

Any understanding of Scandinavian management necessarily implies the realization of the strong impetus for consensus and cooperation. This attitude implies an emphasis on discussion and bargaining as participants work towards an acceptable compromise. The key word here is the very notion of cooperation which means working together towards a common goal.

Another distinctive feature of Scandinavian management is the importance put on the decision-

making process itself, which may be lengthy. It should in principle be open. Coordination up front or pre-decision is considered unfair; participants should have reasons to believe that they have a real possibility of influencing the outcome. The Scandinavian notion is that it is more likely that employees will identify with a decision, even when it is not in their favour when they have been able to participate in the decision-making proecss. Loyalty to the decision process may in many cases be stronger than loyalty to particular leaders, no matter how charismatic or competent they may be. If the decision-making process is unfair, this loyalty may fail, leaving managers in a rather precarious situation. Another reason for the often lengthy decision-making processes is that people should have information in order to understand the reasons for the decisions. Even if they do not agree with the outcome, or if the outcome is unfavourable to them, it is more likely that they will participate in the implementation of the decision if they are familiar with its grounds. Some managers even say that it is better to have a thorough decision-making process than to try to find the people who work against a decision and spread confusion in the whole organization afterwards.

A crucial point is that decision-making is usually delegated to a large number of people, all of whom can make decisions on matters related to their area of responsibility, thereby also spreading power, or responsibility as Scandinavians would put it. This means that managers have to work in constant cooperation with lower layers of the hierarchy, making all parties interdependent. In such a context decision-making becomes a mixture of top-down and bottom-up decisions.

The weak power relations, or short power distance, are the result of a basic egalitarianism which is cultivated by all parties concerned. There is a strong expectation that people should be treated alike as much possible, and that differentials in treatment, if any, should be explained on a rational basis.

The ideal is to reach a consensus. In many cases, everybody knows after a while what the outcome will be. And there is of course a limit to the discussion. If people do not reach a conclusion, the

superior must in the end decide. However, a manager should not use this strategy too often when it comes to complicated strategic decisions, since it might undermine his or her credibility in terms of the democratic process.

Allowing discussion before decisions does not mean that management can abdicate. Managers must point out the important strategic choices, highlight the decision factors, and stand or fall by what they believe. But still, participation is the key word.

One of the problems with group decisions is that they may result in weak individual incentives for making a difference, for standing out. This consensus-seeking approach, that is, may be in discord with the individual killer instinct that is sometimes needed in tough, rapidly changing business environments.

People management and interpersonal behaviour

Perhaps one of the more surprising elements of management in Scandinavia from the viewpoint of non-Scandinavians is the interpersonal behaviour. Apart from the importance placed on low power distance, egalitarianism, cooperation and consensual decision-making already mentioned, this behaviour is marked by informality, direct communication, and conflict avoidance. Whereas some of these characteristics may also apply to other cultures, it is their combination that makes Scandinavia different (Schramm-Nielsen et al.:165).

Managers make a point of playing down their authority to an extent where they seem almost scared by its exercise; direct orders are rare, and managers make a point of being able to talk on equal footing with everybody, including workers.

This egalitarian attitude can also be seen from the low spread of wages and salaries. In talking about good results obtained, Scandinavian managers will invariably refer to the team as being responsible

for the success, knowing that they would be ill advised to take the credit alone.

In communication, Scandinavians are direct, down to earth and factual. The egalitarian ethos has done away with all markings of hierarchical differences and polite formalities, to such an extent that many foreigners used to a more formal style find the Scandinavians impolite and even rude. Everybody is on a first name basis whatever his or her rank. In meetings foreigners may be at a loss to see – or even hear – who is the boss, since anybody present can speak his mind, ask questions, even critical ones, or come up with ideas. This has to do with the ability of individuals to make independent assessments of situations and phenomena, an ability which is expected at all levels. Scandinavians like to get quickly to the point, and ideally any meeting should end with a result clear to all present.

We would also stress the informal and non-hierarchical nature of meetings, anybody present can speak his mind, and the atmosphere is relaxed and calm, though disciplined. It is not accepted to shout or lose one's temper, feelings are not considered a good basis for work, and people go to great length not to hurt the sensibilities of others. If they have grievances of a personal kind, they will keep them to themselves and take care not to stir up conflicts. Problems of personal chemistry are preferably dealt with on a general level. Instead of saying directly to someone that you do not like the way he handles things, you may talk to his manager in order to put procedures on the agenda.

We can now sum up on the description of a relative Scandinavian homogeneity as follows:

- A management style characterized by informality, equality and restraint

- Paralleled by generally flat hierarchies, compressed salary spreads and low fringe benefits

- A consensual, participative and inclusive approach to decision making and change implementation

- Reluctance by most managers to articulate their power; an inclination to reasonableness and quiet persuasion rather than to charismatic dominance.

It is difficult to find other countries that replicate this combination of values and practice. Such differences as there are between the three countries do not seem to us to be major or consequential in the context under review – that of business culture and management behaviour.

4. Case examples of talent development in the Scandinavian context

The organization as a context for career and talent development

In this section, we provide two case examples illustrating talent development in the Scandinavian context. We draw on a four-year research project where we studied talent development by following leadership development programs over time (Espedal, Gooderham and Stensaker, 2013). Our first case – Entreprenord - is an example of a Scandinavian-based multinational enterprise (MNE) that adopted a talent development approach that was aligned with the Scandinavian tradition. In this MNE, a broad cadre of employees were included in a leadership development program aiming to enhance individual skills as well as develop the social "glue" in the organization. The results were individual skill development, social network development and increased knowledge sharing across units and countries. The second case – Norfert - is an example of the more conventional approach to career development in the form of an elitist program, where a few selected managers go through a formal talent development program. The second case illustrates what may happen when Scandinavian-based firms adopt conventional ideas that have been developed in a different cultural context. The results achieved in Norfert were mixed. Although individuals developed new skills, participants were seen by others (and themselves) as prima-

donnas who increasingly became alienated from the rest of the organization, thus hampering important knowledge sharing across units and countries.

Entreprenord: Aligning talent development with corporate and national culture

Entreprenord is a Scandinavian-based construction company operating in the Nordic region. A decentralized model with extensive autonomy at business unit level characterizes Entreprenord. Although there is a recognition of and respect for internal differences, the corporate culture remains deeply embedded in Scandinavian values. After a period of intensive growth, both organically and through acquisitions, a leadership development program was initiated with the goal of developing individual managerial capabilities as well as developing the organization. More specifically, at the organizational level, there was an ambition to develop a strong unified culture facilitating knowledge sharing across business units. The CEO argued:

> "We can never have optimal knowledge sharing in our decentralized organization because we cannot centrally govern knowledge sharing…be we gain, through continuity, a strong culture and consistently high performance."

The leadership program within Entreprenord was an in-house program very much aligned with the corporate and Scandinavian culture. The first cohort targeted high level managers, yet over time the program cascaded to regional and local managers. Participants were selected in a decentralized manner where line managers nominated candidates. Particularly talented employees who were not yet in a managerial position could also be nominated outside of the formal process. In addition to the democratic selection process, there were two key aspects of the program design that aligned well with cultural context. First, the CEO took on an active role in each program providing participants with opportunity to discuss leadership and strategy with the CEO. This signalled low power distance. The CEO also readily shared personal stories of successes and failures, and role

modelled the core values of Entreprenord. A second crucial element in talent development within Entreprenord was a group project, which allowed participants "on-the-job training". Top management assigned corporate projects deemed of high importance for cross-unit groups to work on during and in-between modules and participants referred to these projects as opportunities for "earning while learning".

In general, Entreprenord emphasized collaboration and knowledge sharing, yet there was friendly competition between the business units and the countries. The decentralized model was combined with a performance culture, where results were transparent and subject to regular scrutiny. Nevertheless, the participants in the leadership development program did not view each other (or the various business units) as competitors in any sense. Instead, they appeared proud to share their knowledge across units and countries. The leadership development program was viewed as highly successful. It was repeated eight times moving throughout the organization levels, thus incorporating over 100 employees across business units and countries. The outcomes achieved were impressive in terms of the development of both individual skills and organization level networks and knowledge sharing. In-depth analysis of the leadership development program suggest that a key success factor was the tight alignment with the corporate and national culture (Espedal et al., 2013).

Norfert: Aligning talent development with orthodox career thinking

Norfert is a Norwegian-based MNE that manufactures and supplies mineral fertilizer. It has 7,000 employees spread across operations in 40 countries. Prior to 2007, Norfert primarily recruited its top leaders within the ranks of corporate headquarters employees. However, in the early part of 2007 Norfert's top leadership team concluded that this ethnocentric approach to talent selection and development was unsatisfactory because, in their view, considerable global leadership talent in Norfert's many non-Scandinavian business units was not being utilized. For the first time in

Norfert's history, it was therefore decided to initiate, a global talent development (GTD) program, "LEAD", which would identify and develop "high potentials" regardless of business unit membership and nationality.

Ostensibly, LEAD had identical goals and a similar design to Entreprenord's. The aim was not only to develop the individual participant in terms of personal knowledge, skills, and competencies but also to develop network ties, norms of cooperation, and a shared mindset. However, beyond these common goals our research indicates fundamental differences in relation to the selection of participants, the organization of the learning process and the roles of top management and consultants. Rather than designing a GTD program aligned with its Scandinavian corporate culture, Norfert chose an Anglo-Saxon approach to talent development. The result was a program that was so contentious that Norfert scrapped it after one go.

The selection of LEAD participants was accomplished in collaboration with a leading international management consulting firm that has its main base in North America. Candidates for LEAD were subjected by the external consultancy to an assessment process that was designed to evaluate their leadership potential. However, when the results were made available to the various business units in Norfert, senior subsidiary managers disputed the selection and requested that the results from the assessment should be supplemented by recent performance appraisal data and line managers' recommendations. Their contribution meant that yet another layer of elitism and instrumentality was added to the final selection of participants.

Another feature of LEAD was that it was designed in collaboration with a leading international business school based in the UK that specializes in "tailored executive development". It comprised three five-day events at dedicated "up-market" sites in the UK, Brazil and Qatar. The participants admitted that during LEAD they gradually developed expectations of significant personal career

benefits as a result of their participation and that they had started to view themselves as Norfert's 'chosen few' who could expect a corporate leadership career. Non-participants regarded this elitist attitude as provocative. The attitude challenged internalized Norfert Scandinavian beliefs in flat structures, local, autonomy, egalitarian and collaboration as a norm of appropriateness. Thus, LEAD had an unintended "prima donna" effect that negatively affected collaboration and knowledge sharing between participants and non-participants. Indeed, by the time participants had completed LEAD they reported that their pre-LEAD network ties in their business units had largely evaporated.

Equally, participants became aware that LEAD managers were surreptitiously ranking them. Because of this, a contest mentality developed among LEAD participants preventing any bonding or knowledge sharing within LEAD to take place. One might argue that a contest mentality should be an inherent aspect to GTD. However, it is important to stress that the degree of contest introduced by LEAD was experienced by participants as well as non-participants as conflicting with the Scandinavian corporate values of Norfert that emphasize leadership and cooperation rather than leaders and elitism.

Contemporary thinking among experts on talent development in Scandinavia

While the two case examples above emphasize contrasting approaches to talent development and the results thereof, in this section we zoom out again to capture current thinking among leading practitioner experts on HR, talent development and organization development. More specifically, we draw on conversations with an experienced senior consultant in a leading Scandinavian consultancy firm and the Managing Director of HR Norway.

Talent development the Scandinavian way holds strong

The open leadership development program in Norway, "Solstrandprogrammet" delivered by AFF, has been one of the most popular leadership development programs in Scandinavia for over fifty

years. In 2019, it ranked number 33 worldwide on the Financial Times benchmark. AFFs leadership development programs and consultancy are firmly embedded in the Scandinavian culture and value set. In addition to open programs, the firm delivers customized programs as well as team and individual coaching. All programs and other deliveries are developed based on a broad definition of talent. The point of departure is the individual and their ability to find develop their own leadership style, whether it is a managerial or specialist role. Hence, the AFF view on talent development incorporates Schein's notion of differential career anchors. There are no normative models of leadership, yet a firm belief that managers learn the most by exploring their own and others' leadership together. Hence, leadership takes place through relations. While the emphasis is on the individual and the distinctions and strengths of that person, AFF also aims to connect the individuals to the corporate strategy. Managers and employees are viewed as the "tools" by which strategies are realized, yet the best way to develop a strong link between strategy and leadership is to allow managers to develop their own style.

The selection process for open and customized programs does not involve any quantitative assessments or performance measures, but instead relies solely on qualitative assessment. Central aspects for admission include the ability to reflect and the potential for contributing to other participant's development and to the organization as a whole. Interestingly, the philosophy and thinking on leadership and talent development was originally inspired by Henley in the UK. Similar to the lack of competition in the selection process, the program design aims to avoid competition. For instance, the open programs include two types of project work aiming to create opportunities from learning from experience: an externally oriented project (on a strategy problem, or issue of competitive advantage or organizational change) and an internally oriented project (featuring current leadership dilemmas, such as finding one's own voice and foundation as a leader). Groups are carefully put together to avoid direct reporting lines or relationships that can

trigger competition. The perception is that while program meetings are valuable, it is what happens *between* the meetings (e.g. in a leadership development program) that matters. This speaks to issue of valuing experiential and on-the-job-learning.

The results from this Scandinavian approach to talent and organization development appears to hold strong, at least within the Norwegian market. AFF operates primarily within the Norwegian context, but also has some experience within Scandinavia and with international subsidiaries of Norwegian-based MNCs. Some anecdotal differences that have emerged include the level of competition. Norwegian employees are because of flexicurity more protected than Danish ones, hence there is less inherent competition in Norway. Furthermore, Asian participants in the AFF programs typically express surprise at the focus on them as individuals, yet quite quickly adapt to this and attempt to get the most of it. Norwegian-based firms have consistently sent new cohorts of managers to the open programs. They testify that completion of the Solstrand programs provides their participants with 10 years of maturity.

Shifting from a collaborative to a more balanced approach towards talent development
Even Bolstad, the managing director of Norway's leading membership organization for HR, HR Norway, is very conscious of the idiosyncratic nature of the Scandinavian institutional and cultural context. In contrast to practitioners in the UK, who sometimes refer to the need to reinstate the "H" in "HR", Bolstad states that Norway and Scandinavia never lost the "H". The Scandinavian culture, legal aspects and the unions play into this, but also the relatively good economy within the Scandinavian countries. Economic stability and a highly educated workforce creates conditions that are conducive to allowing firms to emphasize the "H". Another distinction Bolstad sees between Scandinavia and Anglo-Saxon cultures has to do with the level of trust and notion that every employee has voice and the right to express their views. Bolstad reflects on how researchers, such as Amy Edmondson, have gained enormous traction on knowledge about how to develop

psychological safety. However, the relevance of this for Scandinavia according to Bolstad is limited in that there already exists a high degree of trust and psychological safety in Scandinavian work life. Hence, talent development in Scandinavia can build on this rather than invest in developing what already exists, that is trustful relationships among people.

Bolstad, argues that in Norway there is a tendency to depict two very distinct "schools" of talent management (and HR more generally) as irreconcilable. Drawing on the work of Gooderham et al. (1999), he distinguishes the "calculative" approach that involves the use of individual-level performance appraisals and rewards versus the "collaborative" approach that stresses communication and partnership. The Scandinavian norm has traditionally been to adopt a collaborative approach to HR and talent development as exemplified by Entreprenord. As we have pointed out above, this has to do with the national and corporate culture, which clearly favors a more collaborative approach, but also legal restrictions, and the strong and important role of the unions. Further, HR Norway typically defines talent rather broadly as not just comprising managerial talent but also professional and skills-based talent.

Dropp*Early work on talent development within Norway was heavily inspired by the UK.* However, within the last decade, Bolstad observes a trend towards more calculative approaches. He ascribes this to the influence of large multinational firms such as Norfert as well as small and medium-sized oil service firms that are active in the international oil and gas industry. Hence, there are shifts suggesting that one must not take the collaborative approach for granted. **Dropp***In order to provide new and more nuanced thinking on the topic, HR Norway also presents for its membership academic research work by Dave Ulrich who stands for a more calculative approach,* According to Bolstad while HR Norge is committed to the value of collaborative HR, he argues that it could arguably be beneficial to supplement it with elements of calculative HR. However, negative

associations to the calculative approach constitutes a formidable barrier to a more mixed approach. Part of this has to do with that issues involving performance management, elite selection processes and ranking of employees are often taken out of context not least by smaller firms that are seeking to imitate what they observe at larger firms. However, despite the general resistance to calculative HR, interestingly Gjelsvik (2019) observes that bank employees in Norway are actively seeking the inclusion of elements of calculative HR to their collaborative HR model.

A final point made by Bolstad has to do with boundaryless careers and the issue of who "owns" the talents. A recurring discussion within members firms of HR Norway concerns protective behavior at business unit level. Some of the larger multi-divisional firms have explicitly worked on the understanding that corporate level "owns" the talents. Some small and medium-sized firms have taken this one step further and attempt to have a fluid approach within an industry cluster or ecosystem – channeling talent seamlessly around in the system, which in a sense corresponds to the notion of boundaryless careers.

In summary, experts on talent development within the Scandinavian context concur that at an overall level, the current situation remains heavily dominated by a collaborative approach that is very much aligned with the Scandinavian culture, yet particularly the MD of HR Norway experiences increasing signs of more mixed approaches.

5. Discussion and Conclusion

Scandinavian countries are interesting examples of knowledge intensive environments with significant career/talent features. This chapter has described how career and talent thinking is reflecting the Scandinavian context. Thus, career goals, perceptions of success, and needs for and

participation in on-going learning is influenced by Scandinavian culture and norms. The chapter demonstrates how culture shapes continuous learning and career development and why the concept of talent has to a great extent overshadowed more traditional concept of career.

We have argued that in the Scandinavian context, talent development takes on a particular form, which contrasts the more traditional career development perspective. The Scandinavian paradigm focuses on lifelong learning, through formal and informal processes, for managers as well as employees. The Scandinavian way of thinking about talent development is embedded in the long traditions of workplace democracy, focus on employee relations, and a high level of education amongst the workforce. The national context thus pushes the focus on talent beyond a mere leadership focus and towards a broader understanding of how individual capabilities at all levels potentially constitute talents in the organization.

In addition to explaining why this particular perspective on talent development has emerged in Scandinavia, we have delineated the characteristics of the Scandinavian perspective. Talent can be found amongst both leaders and employees, and there is not sole focus on leaders and hierarchical progression. This particular pattern reflects to a high extent the Scandinavian workforce, primarily consisting of highly educated knowledge workers.

Import or export of management models?

As we all know, most management models come out of the USA and are copied by many countries around the world. In this respect, the Scandinavian countries are no exception. Since the beginning of the industrial era, we have been through most of the fads and fashions that originated as theories in the North American business schools and were lived out in practice in American corporations. This is also the case as far as talent management is concerned, since a number of large Scandinavian enterprises, public as well as private, have adopted talent programmes that single out promising and gifted employees who typically possess knowledge and skills that are valuable to the company and

whom management would like to become or stay loyal to the firm. In such programmes the chosen person is typically given a mentor, a development plan is set up and the person is sent on specialized courses that fit with his or her profile.

Our contention here then is that in the Scandinavian setting such persons are chosen not only among potential managers/leaders, but from a broad spectrum of employees at different levels of the hierarchy and from technical as well as specialist functions – even from among union representatives if a talented person has been spotted. The important thing is to develop and exploit all potential talent for the benefit of the individual as well as for the competitive advantage of the company.

In this connection, two important facts are worth remembering. The first one is that in general the Scandinavian employees are highly educated, a large percentage has university level diplomas, and the second one is that in a foreseeable future, all three countries will face a lack of brain power in sheer numbers due to low birth rates over the past decades. It is therefore in the interest of all parties concerned to utilize and develop whatever capacity they have within the frame of the company.

Can and should the Scandinavian model be exported?

Our next question is in a way rather logical: Since a thriving American business life has successfully exported American theories and management models, why should not a thriving Scandinavian business life be able to export its specific model?

The first and easiest answer to this question is that all countries regard their specific culture as more or less nature given. So why change it? A valid argument might be economic and social development, in which the Scandinavian countries excel. Other countries and populations may wish to be as rich as the Scandinavian countries, but the Scandinavian culture with its ethos of egalitarianism and result oriented behaviour may seem very exotic in a world where most countries are hierarchical and relations oriented.

However, other rich Western countries might profit from good ideas developed in Scandinavia, so let us look at a concrete example, namely the Danish 'flexicurity' model mentioned earlier, which combines flexibility on the labour market with social security provisions. The EU Commission has praised it, and politicians and experts from a large number of countries including the USA have literally poured into Denmark to learn how the model works. Many returned enthusiastically, determined to try to implement it in their country, only to be met with heavy internal opposition. In the USA employers wanted the flexibility but not the security part, in Germany unions wanted the security but not the flexibility, and in France, typically, there were demonstrations in the streets to protest against a partial implementation on youth employment, already a big problem in France. The demonstrators simply did not trust the good intentions of the politicians. What these examples may show is that for change to happen there has to be a win-win situation for all parties concerned, unemployed and employed, employers and employees, politicians and citizens.

Our best and most optimistic guess is that the examples lived out in the thousands of Scandinavian companies spread around the world, where Scandinavian management practice is put to work, adapted to the local conditions, are the best way to export the Scandinavian model.

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