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### Original Research

# Talent Management Practices in Multinational Corporations

<sup>1</sup>Jordan Myers, <sup>2</sup>Barry Dunlap, <sup>3</sup>Mary Moses, <sup>4</sup>Zachary Wallace

<sup>1</sup>Academic Coordinator, Faculty of Accounting and Finance, Zenith Institute of Technology, India

<sup>2</sup>Professor, Department of Banking and Insurance, Kyoto Central University, Japan

<sup>3</sup>Professor, Department of Corporate Governance, Eastbridge University, Canada

<sup>4</sup>Professor, Department of Commerce, Holland International University, Netherlands

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### Abstract

Talent management in multinational corporations (MNCs) has emerged as a critical strategic driver for organizational success amid globalization, technological advancement, and competitive labor markets. This article explores the evolution, core components, best practices, and major challenges associated with talent management in MNCs. Utilizing current data, frameworks, and case examples, it demonstrates how effective talent management attracts, develops, and retains high-potential employees, thus sustaining competitive advantage on a global scale.

**Keywords:** Talent management | Multinational corporations | Global-local integration | Leadership development | Employee retention

### INTRODUCTION

Multinational corporations operate in an environment characterized by cross-cultural complexities, diverse legal frameworks, and fierce competition for talent. Talent management—the systematic attraction, development, retention, and deployment of key human capital—is essential for achieving organizational goals, adapting to change, and outperforming rivals<sup>[1][2][3]</sup>. MNCs must fine-tune their approaches to manage a geographically dispersed and culturally diverse workforce while also sustaining their global brand and local engagement.

This article examines:

- Definitions and frameworks of talent management in MNCs.
- Best practices and leading strategies.
- Challenges and future trends.
- Case studies and empirical insights.

### Defining Talent Management in MNCs Evolution and Scope

Talent management refers to integrated human resource (HR) strategies and processes focused on attracting, developing, motivating, and retaining employees with high potential and critical skills<sup>[4][1]</sup>. In MNCs, talent management extends beyond traditional HR practices, emphasizing global leadership pipelines, succession planning, mobility, and the alignment of workforce strategy with business objectives<sup>[2][5]</sup>.

"Talent management is all organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in

the most strategic roles on a global scale" (Scullion, Collings, & Caligiuri, 2010)<sup>[2]</sup>.

### Key Differences in MNC Contexts

- **Global Scale:** Talent pools transcend borders, integrating parent country nationals, expatriates, and local hires.
- **Cultural Nuance:** Sensitivity to local norms, legislation, and cultural expectations.
- **Strategic Roles:** Emphasis on leadership and roles that directly affect global competitiveness.

### Core Talent Management Practices Recruitment and Employer Branding

MNCs like Google and Apple lead by building powerful employer brands, harnessing digital platforms, and offering competitive benefits to attract top candidates globally<sup>[3][6]</sup>. Effectiveness in talent acquisition also depends on leveraging professional networks and customizing value propositions for diverse markets<sup>[3]</sup>.

### Talent Development

Continuous learning and skill development are vital aspects of global talent management. MNCs invest in leadership training, cross-border assignments, and tailored development programs to prepare future leaders and specialists<sup>[7][2]</sup>. Transparent career paths and structured succession planning support high-potential employee retention.

### Performance Management

Performance management has evolved from periodic

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reviews to more dynamic and continuous feedback, incorporating localized KPIs and supporting both global standards and local agility<sup>[5][21]</sup>. Diverse systems may coexist to accommodate differences in regulatory requirements across locations.

### Retention and Engagement

Retention strategies incorporate competitive compensation, flexible work arrangements, career growth opportunities, and inclusive environments. In global enterprises, developing a strong internal culture and ensuring meaningful engagement are especially challenging but critical for reducing turnover among top talent<sup>[7]</sup>.

### Global Mobility and Succession Planning

Mobility programs, including international assignments and leadership rotations, foster cultural intelligence and leadership depth. Carefully managed succession planning ensures readiness for future leadership needs and mitigates risk in key positions<sup>[2]</sup>.

### Empirical Insights and Industry Data

#### Importance and Challenges

According to recent research, 69% of MNCs rank talent acquisition and tracking as the most impactful strategy for achieving business objectives. Simultaneously, 49% cite talent management as their top business challenge, driven by conflicting HCM systems, legal variations, and talent shortages—especially in emerging markets<sup>[8]</sup>.

Talent Management Focus	Percentage of MNCs Reporting
Talent Acquisition as Top Strategy	69% <sup>[8]</sup>
Talent Management as Top Challenge	49% <sup>[8]</sup>

### Talent Management Lifecycle

The employee life cycle in MNCs generally follows these stages, each requiring tailored global-local strategies<sup>[5][21]</sup>.

1. **Attraction & Recruitment:** Sourcing talent, employer branding, and value proposition.
2. **Onboarding & Integration:** Structured orientation processes; fostering inclusion.
3. **Development & Performance:** Continuous skills development, real-time performance feedback.
4. **Retention:** Compensation, engagement, and work-life balance.
5. **Succession & Advancement:** Leadership pipeline creation, global talent pools.

### Sample Framework: The Global Talent Management Model

Phase	Global Strategy	Local Adaptation Example
Recruitment	Standardized employer branding	Region-specific hiring incentives <sup>[9]</sup>
Development	Global leadership training	Local skills courses <sup>[2]</sup>
Performance	Company-wide KPIs	Localized performance reviews <sup>[5]</sup>
Retention	Unified compensation philosophy	Flexible benefits by market <sup>[7]</sup>

### Best Practices in MNC Talent Management

Successful MNCs adopt the following best practices to

maximize talent value worldwide<sup>[6][3][10]</sup>. *Int Med 2020;1(1): 30-32*

- **Align Talent with Business Goals:** Regularly assess workforce needs in relation to current and future objectives.
- **Leverage Employer Branding:** Showcase organizational values and success across multiple platforms.
- **Implement Data-Driven Decisions:** Use analytics to guide hiring, measure engagement, and predict turnover risk.
- **Empower Diversity and Inclusion:** Develop global D&I standards but adapt tactics to local contexts.
- **Invest in Leadership Development:** Facilitate cross-border development for high-potentials.
- **Promote Flexibility:** Offer remote work, hybrid arrangements, and varied career tracks.

### Key Challenges in Global Talent Management

#### Global-Local Tension

Striking a balance between global consistency and local customization is cited as a difficult but essential task. Approximately 65% of MNCs struggle with enforcing standardized practices, while 73% of HR leaders recognize the need for local adaptation<sup>[9]</sup>. Examples like Zephyr Industries show decentralizing certain HR processes increases engagement by 20%<sup>[9]</sup>.

#### Compliance and Systems Fragmentation

MNCs manage a proliferation of payroll and HR management systems (often over 30–40 systems), impeding efficiency and data coherence. Consolidating systems and processes is a major focus to support growth and regulatory compliance<sup>[8][11]</sup>.

#### Demographic and Skills Gaps

Changing workforce demographics, such as aging populations in developed economies and talent shortages in emerging markets, aggravate talent gaps. Globally, 68% of organizations report difficulty filling vacancies, and 55% struggle to retain existing talent<sup>[12]</sup>.

#### Resistance to Change

As many as 75% of MNCs face employee resistance during global talent solution roll-outs, impacting engagement and productivity. Open communication, localized training, and empowered local leaders help overcome these hurdles<sup>[9]</sup>.

## EXAMPLES

### KONE: Integrated Talent Management

KONE's talent management is driven by a global process owner who coordinates policy with local business partners. Annual leadership reviews and transparent developmental pathways have been credited with strengthening its talent culture and ensuring succession readiness<sup>[2]</sup>.

### Tech Sector: Google and Apple

Google and Apple maintain industry-leading talent brands by providing innovative work cultures, comprehensive benefits, and clear internal mobility tracks, thus attracting and retaining top talent worldwide<sup>[3]</sup>.

### Visualizing Global Talent Management

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Below is a conceptual flow of talent management in MNCs:

#### Global Talent Management Process

- Sourcing → Selecting → Developing → Retaining → Advancing

#### Drivers and Outcomes

- Employer brand, leadership support, data analytics, D&I focus → Greater engagement, reduced turnover, leadership pipeline readiness

#### Recommendations for Future-Ready MNCs

1. **Invest in Unified Technology:** Consolidate HR systems for agility and insight.
2. **Foster Cross-Cultural Leadership:** Prepare leaders for global and local challenges.
3. **Prioritize Data Analytics:** Use big data for smarter talent decisions.
4. **Strengthen D&I:** Integrate diverse perspectives for innovation and resilience.
5. **Engage Leadership:** Top management commitment is critical to building a talent-driven culture.

## CONCLUSION

Effective talent management is indispensable for multinational corporations navigating a volatile and dynamic global landscape. Through strategic recruiting, tailored development, and localized retention tactics, MNCs can unlock the full value of their human capital. The most successful corporations continuously adapt, leveraging technology, data, and inclusive cultures to stay ahead in the global talent race.

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