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Career Development and Training in the Flattening World

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Abstract

The rapid and exponential development of technology has been flattening the world and enabling it connected more closely and easily. This globalization trend has gone beyond technology and created more profound and complex impact on companies and individuals. To respond to these challenges, organizations have started to revitalize their employee career development and training strategy, a process that increases employees' capability to contribute to organizational missions. This paper explores the major changes and trends that flat-world organizations define in their talent development strategy, and the roles of the human resources department, a business enabling function, in the Talent Age. As globalization has gone from globalization of companies to globalization of individuals, this paper also examines what individuals should do in this vibrant age to remain marketable throughout their life span.

INTRODUCTION

There have always been hot debates over the positive and negative effects of globalization. While globalization and the Internet have created unprecedented opportunities for small and medium-sized businesses as well as individuals, Crane (2006) argued that there is widespread fear that globalization means job losses and lower wages as the export power of the huge nations grows. To cope with the globalization challenges, individuals need to continuously upgrade themselves through learning and development throughout their life span. "In many global industries you are forced to prove every day that you deserve your job by the value you create and the unique skills that you can put in play. And if you do not succeed, your job can fly further and faster than ever" (Friedman, 2006). Technology advancement, such as mobile communication technology, continues to shrink the world in time and distance. It is the trend that cannot be stopped. Whether we like it or not, we have to live with it. Therefore, organizations and individuals today have to develop new training and career development strategies to meet the needs of a different work environment requiring a different kind of flexible, mobile and diverse workforce. In this paper, the major globalization forces and impact on organizations as well as individuals will be examined. Then the implications on career development and training strategies will be analyzed. At the end, the processes that a multi-national company adopted in redefining and implementing its talent development strategies to cope with globalization challenges will be discussed.

KEY FORCES THAT FLATTENED THE WORLD

In his book, The World Is Flat, Friedman (2006) defined flatteners that leveled the global playing field: The fall of Berlin Wall back in 1989 ended the Cold War and opened the doors among nations allowing more collaboration between eastern and western world. "When the wall came down, the windows came up." The introduction of Windows operating system for personal computers (PCs) enabled individuals to create their own digital

content and share with others across the globe. The internet boom was accelerated by the emergence of World Wide Web and the invention of fibre optic cable which increased the transmission speed of information. The drastic connection speed enabled individuals to communicate instantly through as words, files, films, music, and pictures on a computer screen by all people across the world as if they were in the same room. The emergence of software protocols (SMTP, HTML), which enabled anyone to design and publish documents that could be transmitted to and read on any computer anywhere, created a global platform for multiple forms of collaboration.

This global platform and the wide availability of internet gave many organizations and individuals the opportunities to explore new markets by selling their goods and services to customers who are on the other side of the globe. With the ability to upload and collaborate on online projects via this global platform, outsourcing and offshoring became easier, cost effective and popular, thereby enhancing collaboration among nations and driving economic activities of developing countries. The tremendous growth of search engines (Google, Yahoo!) facilitated the search for knowledge and connected like-minded people and communities across the globe, enabling collaboration of individuals.

The emerging flattener is smartphones with the popular cross-platform instant message app (WhatsApp, WeChat etc.) which uses internet to send text messages, images, video, user location and audio media messages. The convenience of smartphones helps people to connect, share, shop and socialize anytime from anywhere and on the move. The rapid growth of this flattener is driven by the accelerated development in mobile communication technology which has brought down the access cost and speeded up information sharing. According to Cisco, global mobile data traffic grew 69% in 2014 and was about 30 times the size of the entire global Internet in 2000. For example, WeChat has grown to its current level of 550 million active users with 100 million users outside China since it was first released in 2011. It is now available in over 200 territories with more than 20 language

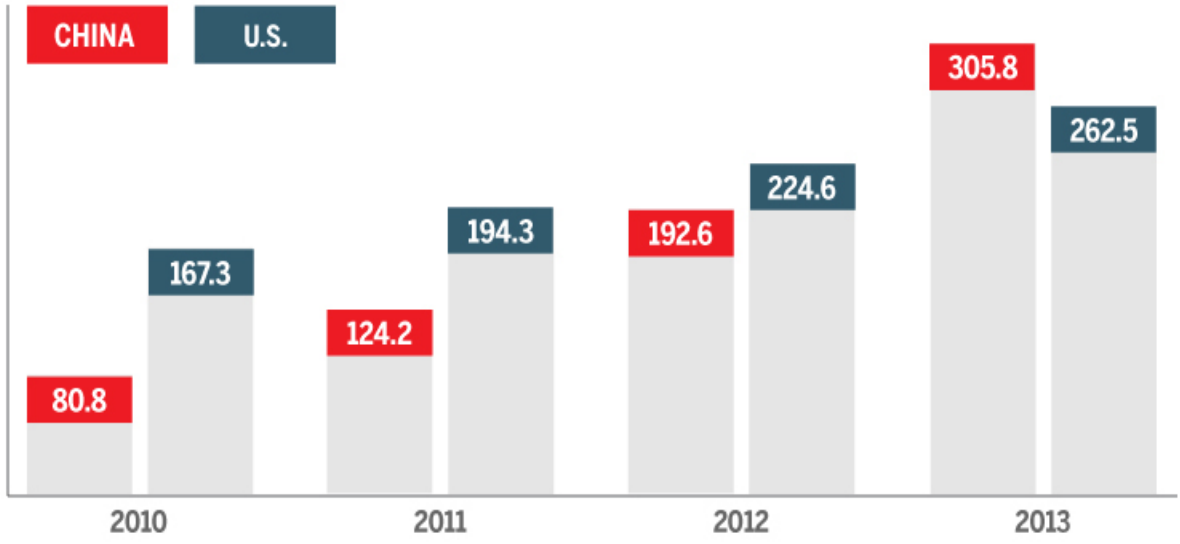
versions.

THE FLAT WORLD PHENOMENON

The world became closely interconnected across distances, national and cultural boundaries after its shrinking from a size small to size tiny. Flattening of the playing field gave individuals more power than ever to go global and compete with other individuals all over the world. They also had more opportunities to collaborate with other individuals not just to compete with them. Due to the rapid development globally, the distinctive competitive advantages in the flat world is the speed to innovate. "If you want to flourish in a flatten world, you'd better understand that anything that can be done will be done – and much faster than you think. The only question is whether you will do something or you will just be the object of this something. You will be the one who will drive the innovation or one of your competitors will use it as a vehicle to pass over you with" (Friedman, 2006). Since the scientific revolution started in the seventeenth century, knowledge has always been a critical winning element for businesses but has never been as important as in today's flat world. Hagel III (2003) said that the only sustainable edge for companies and countries is the distinctive talents and entrepreneurship of their workforce. To win in the flat world, companies need to have the ability to attract and develop talents at a pace faster than their competitors. "So the Industrial Age and the Information Age are giving way to the Talent Age. The flattening of the world has brought the tools of the Industrial Age and the Information Age to more people and places than ever" (Friedman, 2006).

Technology has fundamentally transformed businesses to reach new markets and new customers across the globe much more efficiently. An item available on the internet is marketable anywhere in the world in real time 24/7. During the period from 2010 to 2013, the online retail sales in China and U.S. grew 280% and 60% respectively as per iResearch's survey below:

Online Retail Sales in China and U.S., in billions of US$



Source: iResearch

Online commerce across borders has also increased rapidly. Foreign products and services are readily available in local markets through the web, intensifying foreign competition in local markets. The overseas users on Alibaba, a Chinese e-commerce company, increased from 1.8 million in 2011 to over 10 millions in 2015 spreading over 240 territories. The convenience and variety of on-line shopping have changed consumers' shopping behaviors and enabled consumers to have ready access to diversified products and services at competitive prices. Consumers today require more complex and differentiated products, thus shortening product life cycles.

The flattening of the world has given more powers to companies, large and small, and individuals to go global. This has led to a new work environment with a global workforce which is mobile, diverse, virtual, creative and flexible. Due to downsizing, rightsizing, and delayering of companies in the last few decades, leadership gaps have been widening. The Bersin & Associates survey (2008) revealed that the top talent challenge for companies in U.S.A., Asia Pacific, Europe and the Middle East is "Gaps in Leadership Pipeline". The talent challenge that companies face today is to identify and develop leaders who possess

cultural intelligence to balance global and local needs and to collaborate with business partners of different cultural backgrounds. New era leaders also need the competencies to manage the geographically dispersed and virtual workforce. The talent strategy of flat-world companies is shifting from “war for talent” to “speed to develop talent”. To be successful in the flat world, the human resources department, a business enabling function, has to come up with solutions to identify, develop and retain new era leaders faster than its competitors.

Globalization 3.0 (Friedman, 2006) means globalization of individuals and individuals will need new competencies to suit the flat world phenomenon. The days of lifetime employment are gone and replaced with lifetime employability. Friedman (2006) said that we are all temps now and need skills that can make us, at least temporarily anchored and untouchable. To enhance our lifetime employability, we need to be adaptable, creative, versatile, technologically savvy and culturally intelligent. According to Edward de Bono (1973), creativity is the essential ingredient in change and in progress. As compared to specialists, who have depth of skills and narrow scope, and generalists, who have broad scope and shallow skills, versatilists use depth of skills in a wide scope of situations and experiences. Versatile individuals constantly assume new roles to gain new competencies and build social networks. They are capable of constantly adapting, learning and growing. Friedman (2006) suggested that in the flat world, the individual worker is going to become more and more responsible for managing his or her own career.

The above trends are driving most of the organizational changes being witnessed in the flat-world companies today. Human resources departments have to deal with the following challenges:

- to create an organization structure to manage the virtual and diverse workforce
- to identify and develop new era leaders to meet business and individual needs
- to retain qualified, competent employees

- to rebuild the implicit social contract between companies and employees etc.

CAREER DEVELOPMENT & TRAINING IN THE FLATTENING WORLD

"As the world becomes increasingly connected and mobile, workforce development is proving to be a major activity for organizations because it impacts their longer-term survival and growth. To stay ahead, successful organizations focus on attracting, building, engaging and retaining talented people. However, in a financially turbulent era where strategy changes quickly, workforce development must not only plan and build the capabilities of people at work, but also contribute to making employment more socially sustainable for a better world" (Harris & Short, 2013). This means that human resources professionals have to focus their energies on developing employees' personal attributes (creativity, adaptability, learning agility, cultural intelligence etc.) in addition to developing skills (business, interpersonal, leadership skills etc.) to enhance employees' lifetime employability as change will remain a constant. In other words, talent development aligns not only with business strategies but also life span of employees to help them develop marketable / transferrable skills so that they are more adaptable when their jobs are outsourced or offshored. Creativity, the essential personal attribute in change and progress, cannot be taught in ~~classroom~~ classroom but can be developed by expanding knowledge, intellectual abilities, motivation, environment etc. Edward de Bono (1973) said that creativity is the description of a result, which can only be admired, and lateral thinking is the description of a process, which can be learnt. Psychological researches have concluded that putting adults in unfamiliar situations opens their minds and accelerates their absorption of new knowledge. The relationship between learning and work will be assessed to incorporate in learning and development strategies such as virtual project assignments, lateral moves, and overseas posting to help development of talents in the flat world.

Companies require more flexible business strategies to cope with the following flat-world challenges:

- intensified foreign competition in local market
- enhanced global opportunities
- shortened product life cycle

The traditional “right fit for the right job” succession planning system becomes out of touch with ever-changing business strategies. According to Bersin & Associates survey (2009), most organizations that implemented succession planning processes have found that the success rate of this process is less than 30%, i.e. the designated replacements actually fill less than 30% of positions for which they were planned. Organizations today require individuals who are flexible, mobile and have the capability to fulfill multiple roles for the organization. PepsiCo adopted a system to grow high potential employees for an organization level rather than a specific job. Byham, Smith & Paese (2002) proposed a different approach, the Acceleration Pool, to replace the traditional succession planning approach to grow executive talents. Rather than targeting one or two hand-picked people for each executive position, an Acceleration Pool develops a group of high-potential candidates for executive jobs in general. The Acceleration Pool members will be given strategic developmental assignments (e.g. task force, lateral, overseas etc.) and experiences (e.g. university executive programs) to accelerate their developments of competencies (personal attributes and skills). A coach will be assigned to each pool member to provide assessments and feedback. Acceleration pools may be established for different levels of the organization (global, regional, country, department) to consolidate at the top. One of the critical success factors of this Acceleration Pool is a reliable and credible mechanism to identify high potential employees. This is the organizational ability to predict an employee’s future performance in an unfamiliar environment. In the traditional succession planning system,

managers identify replacements for themselves and/or their direct reports. Managers tend to select their replacements that look like them, based on past performance and current fit with current organizational requirements. This “homosocial reproduction” or “cloning” process may identify future leaders who have the same skills of past leaders. To increase objectivity and reliability of the selection process, high potential employees are assessed from different perspectives by multiple raters from different functions using multiple tools (e.g. 360° feedback, Hogan etc.) according to context-specific definition of high potential. Byham, Smith & Paese (2002) compared the assumptions about the traditional succession planning model with the acceleration pool as follows:

Replacement Planning System	**Acceleration Pool System**
● Consistent business strategy	● Frequent changes or flexibility in business strategy
● Stable organization structure	● Fluid organization structure (frequent changes)
● Fixed jobs	● Fluid jobs (frequent changes in responsibilities and reporting arrangements)
● People move vertically	● People move vertically and horizontally
● Upward movement is automatic, as long as people avoid making big mistakes	● People must pass through an effective selection system for each job they take on
● Jobs can be planned two or three positions ahead	● Impossible to plan future jobs with any accuracy

● Training is a "rite of passage" (e.g. university executive programs)	● Training is integrated with assignments to provide skills and knowledge that can be used immediately on the job.

Uncertainties in the flattening world make it impossible to sustain all employees in their current positions. The days of lifetime (long term) employment have gone, even for Japanese companies which have a tradition or implied social contract to provide lifetime employment to employees. Watt (2010) said that security now lies not in employment but in employability and a willingness to keep learning new skills. Individuals need to develop and enhance their "Learning Agility" which is about learning from experiences. Lombardo & Eichinger (2000) described Learning Agility as People Agility, Results Agility, Mental Agility and Change Agility. Employers now have a moral obligation to provide more lifetime learning opportunities to make their employees lifetime employable. "If there is a new social contract implicit between employers and employees today, it should be this: ***You give me your labor, and I will guarantee that as long as you work here, I will give you every opportunity – through either career advancement or training – to become more employable, more versatile***" (Friedman, 2006). Therefore in formulating career development and training plans, human resources professionals need to integrate the business strategies with the overall life span of employees to meet the new social contract expectation to enhance their lifetime employability. Employees will be more engaged and stable when both their security and developmental needs are met.

The fundamental change in talent management strategy necessitates a holistic review of the human resources strategy and processes to ensure strategic alignment of human resources programs. This review requires close collaboration among various teams in the

human resources department (talent management, reward, mobility, HR operations) to implement the following changes:

- Create a corporate culture to value diversity, cultivate continuous lifelong learning, encourage creativity and innovation
- Revamp reward policy to include potential ratings in pay decisions. For example, change the current 2-dimentional salary administration matrix (i.e. pay for performance and market position or compa-ratio) to 3-dimentional matrix (pay for performance, potential and market position)
- Review mobility policies to support and encourage cross country, task force, lateral assignments
- Implement a global human resources information system to maintain an updated talent inventory to facilitate talent management across borders

Dramatic improvement in mobile communication technology (from 2G to 3G to 4G in a decade and possibly 5G in the next 2 years) and the lower cost of smartphones and its cousin (tablets) have increased the number of connected devices and transformed the way people live. International Data Corporation's survey showed that global average selling prices for smartphones decreased by 23% during the period from 2007 to 2014[1]. This has enabled more people to connect, shop, pay, entertain, work and learn anytime from anywhere at affordable costs. Of Facebook's 829 million active users, 650 millions are mobile users[2]. If policy makers put a priority on education and skills building through mobile technology, mobile learning can become a powerful tool to drive lifelong learning as people can learn anytime from anywhere and on the move. Gamification of mobile learning makes lifelong learning fun, engaging, convenient and sustainable. Lifelong learning may also be powered

[1] Facebook. Retrieved from www.investor.fb.com
[2] International Data Corporation Worldwide Quarterly Mobile Phone Tracker. Retrieved from www.idc.com

by social learning, which is an informal learning in the form of social media interactions on platforms like Facebook, Twitter, Weibo etc. Leveraging on these social platforms, learning networks can be developed within a company to empower employees to share information, knowledge and experiences, and discuss ideas related to their work and the business. This facilitates collaborative learning through healthy peer pressure, helping employees learn from each other in an informal and fun way.

PROCESSES TO REVITALIZE THE TALENT DEVELOPMENT PROGRAM OF A COMPANY

To cope with the flat-world challenges, a multi-national company, which operated in over 100 countries around the world, revitalized its talent development strategy and processes as follows:

1. Redefined the Core Leadership Competencies to include adaptability, driving for results, global developer etc.

2. Developed an objective and credible mechanism to identify high potential employees. The mechanism included a Performance & Potential Matrix (PxP). Each manager would classify his/her employees in the PxP Matrix and submit to the respective Talent Review Committee through a HR representative for discussion and validation in the calibration meetings. For example:

Performance Over 3 consecutive periods	Potential: 24+ months 60%	Potential: 1 Level in 2 years 25%	Potential: 2 levels in 6 years 15%
High 20%	Boon Fat Wee		Phil Smith
Medium 60%	Tamara Wang Alex Noir Sally Fitzpatrick Billy Lee	Rakesh Kumar John Garcia	
Low 20%	Amy Ohira		

Talent Review Committees, which comprised representatives from diverse functions, were set up to conduct PxP calibration meetings at various levels of the organization, i.e. department, country, regional, global. PxP ratings were validated and development plans for high potential employees were formulated in the meetings based on facts and data.

3. Created a Talent Development Program to accelerate the development of selected high potential employees. A maximum of 10 employees from each region every year would be enrolled into this accelerated talent development program which had three main components:

- Strengths, development opportunities, derailers and motivators of participating employees were identified through assessment and coaching. Assessments tools, such as 360° feedback, Hogan etc., were used.
- Participants took strategic assignments (such as lateral, project, cross-functional, overseas etc.) as identified in the calibration meeting to provide critical experiences to maximize their strengths and to address developmental needs.
- A coach was assigned to each participant to track and follow up the development status throughout the program. The coach together with the respective HR leader would monitor the progress and provide periodic feedback to the participant.

4. Open and honest communication with participants throughout the Program. The respective managers and HR representative would discuss with the participants on:
   - Talent development process and program
   - Identified strengths and developmental opportunities
   - Employee's career interests and personal developmental plans
   - Possible learning or development opportunities and expected outcomes
   - Shared responsibilities: 70% on employees, 20% on supervisors, 10% on HR
5. A holistic review of human resources programs was conducted to ensure alignment with this talent development initiative, particularly in the areas of salary administration, mobility / assignment policies and project incentives.

At the same time, a global HR information system was implemented to ensure an accurate and updated global employee database and talent inventory to facilitate the effective management of this talent development strategy.

CONCLUSION

Career development and training is a major human resources management priority to help companies prepare and overcome challenges in the flattening world. It helps not only develop leadership talents but also rebuild the implicit social contract between employers and employees. When planning career development and training programs, both company and employee share responsibilities to focus on the overall life span of the employee to develop marketable / transferrable skills and how they fit with the business strategy.

The world continues to be flattened by advancement in mobile technology. With the convenience of mobile learning, it can be an effective enabler for lifelong learning leveraging on the powers of gamification and social learning platforms. Both company and employee need to remain agile towards learning and development opportunities as change is a constant today.

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