Talent (Im)Mobility:
The Looming HR Challenge in Asia

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Executive Summary

A confluence of factors is culminating in a significant talent mobility challenge that will require concerted management attention and proactive strategies to address. Simply put, the future of global talent mobility is in question. For Asia in particular, three factors are quickly converging into a “perfect storm” for talent mobility:

1. COVID-19 travel barriers and their impact on global talent mobility.
2. Escalating geo-political tensions and their impact on cross-border talent flows and workplace morale.
3. Rising nationalism and protectionism and their impact on foreign talent acquisition.

Insights for What’s Ahead

For multinational companies in Asia (MNCs), the confluence of factors cited above is likely to have seriously adverse effects on traditional Total Talent Mobility\(^1\) practices, and for a prolonged period. In anticipation of future challenges, organizations will need to redefine international talent mobility programs and design creative solutions to mitigate five future business risks:

1. **New Constraints on Talent Acquisition**

   Growing unemployment rates across Asia have led to the tightening of visa and immigration controls by governments seeking to support job protection for local nationals. How restrictive these measures will become and how long they will last is impossible to know at this juncture. Already, MNCs in Asia are subject to greater regulatory scrutiny over hiring decisions resulting in much-reduced access to foreign talent for jobs requiring on-site presence. *With more limited access to international talent pools for on-site staff, how will organizations fill key talent gaps, especially at senior levels?*

2. **The Loss of Overseas Experience for Leadership Development**

   Overseas assignments have long been viewed by multinationals as critical pathways – even essential components – in the career development programs for their high potentials. These assignments have enabled participants to develop a deeper appreciation of diverse cultures, cross-cultural sensibility, domain knowledge, and “must-have” leadership capabilities. *What alternate leadership development strategies can be deployed in the absence of in-person overseas postings and rotations?*

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\(^1\) According to The Conference Board, “Total Talent Mobility entails proactively moving employees into permanent or temporary new roles in an organization or across organizations or industries. Combining global mobility and internal mobility, it focuses on all employees, not just high potentials.” (Robin Erickson, Marion Devine, & Amy Ye, Total Talent Mobility: Strategic Purposes, Barriers, and Best Practice, Research Report 1695-19, The Conference Board, 2019)
3. Erosion of Employer Brand and Value Proposition
The allure of international career opportunities has been a powerful talent magnet for MNCs, and the ability to offer this benefit has served to significantly enhance employer brand and talent attraction capabilities. How can MNCs maintain the attractiveness of international career opportunities in a less mobile global operating environment?

4. Reduced Leadership Bench Strength
MNCs continuously strive to build a deep and broad bench of successors for senior leadership roles from their global talent pools. Prolonged mobility restrictions – whether due to COVID-19 concerns, nationalistic policies, or cost controls – will likely lead to a higher reliance on local, in-country talent to fill key leadership positions in many countries in Asia. How can local talent development best be accelerated?

5. Less Workplace Diversity
For many years, MNCs have strived to create judiciously blended workforces across their subsidiaries in Asia that integrate select talent from other countries in the region and from HQs with local workforces. This model has served to enhance globality and the preservation of core corporate values on the one hand whilst creating strong inclusion for local culture, perspectives, market intelligence, and ideas at the operating level. Facilitated by close and frequent in-person interaction, and the cross-border trust it entrains, this has long been a winning recipe for MNCs in Asia. How can traditional diversity and inclusion recipes be adapted to virtual environments?

Other Talent Immobility Predictions
1. Amidst a more restrictive placement environment for expats, local firms will face increasing talent competition from MNCs in their countries.
2. In-country poaching wars are likely to intensify between MNCs for top local talent, pushing HR costs up.
3. Asian countries and cities that previously relied on free external talent flows as a key factor in their national competitiveness, may find their positions challenged.

Our recent discussions with business and HR leaders reveal that most MNCs are still at the early stages of understanding the potential impacts of international talent immobility on their organizations and have yet to formulate comprehensive strategic responses. During the extended work-from-home period of the COVID crisis, virtual online management and work methods have largely sufficed to keep businesses running, and have surprisingly even bested legacy in-person practices in some ways. The premise of this piece is that, as some countries and cities tame COVID-19, in-person work will resume as a preference or advantage in local markets. At this juncture, an array of international talent mobility challenges caused by persistent travel, hiring and placement restrictions and attitudes will arise. This piece seeks to frame the key challenges to be expected and initiate a conversation about an important predicament for HR leaders, that is likely to play out for many months to come. This story is still breaking.
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