

The Global Talent Competitiveness Index 2013

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TOWARDS A EUROPEAN TALENT SUPPORT NETWORK
INTERNATIONAL CONFERENCE AND EUROPEAN TALENT DAY

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The Global Talent Competitiveness Index, 2013



The Global Talent Competitiveness Index

Bruno Lanvin and Paul Evans, editors

2013

Talent Map of Europe

„Talent is a special kind of natural resource that is available in every country.”

(Talent Centre Budapest, <http://www.talentcentrebudapest.eu/talentmap>)

„Available”

- from a scientific and economic aspect it is not a very precise expression
- are all countries, all companies, all groups of people all over the world *equally* able to build effective systems, institutions and develop proper methods to
 - conceptualise what it is for them (talentedness)
 - identify those individuals (who are/could develop to become talented)
 - develop them (to optimize their talent-potentials during their development)
 - let them function, and use them effectively (in talent-friendly, talent-conscious, talent-effective economy/economies)

??

Naturally not. Because...

- countries, companies, groups of people
 - are in different developmental stages, are on different developmental trajectories
 - have different social/economic etc. needs
 - different potentials in talent-production economy
 - different traditions, cultural contexts (culturally influenced possibilities and constrains) etc.

However - globalization

- because of the irreversible processes of globalization, in education and on the market

all countries
all economies
all groups of people

play on the same ground *TOO*
at the same time *TOO*

not only on their owns
a common game

„Play/Game” – or rather „war”?

Conceptualized as a WAR – softend by a new type of epistemology

1997 – Steven Hankin (Chambers et al., 1998) / McKinsey

a war for talent

1998 – David Watkins / Softscape (1998)

talent management

2001 – Ed Michaels, Helen Handfield-Jones, Beth Axelrod / Harvard Business School

talent mindset

2012 – Klaus Schwab (2012) / World Economic Forum (Davos) Manpower (earlier)

talentism (from capitalism to)

'If talent is becoming the decisive competitive factor, we can be confident in stating that capitalism is being replaced by 'talentism.'

A new kind

a new kind of war

for a new kind of resource

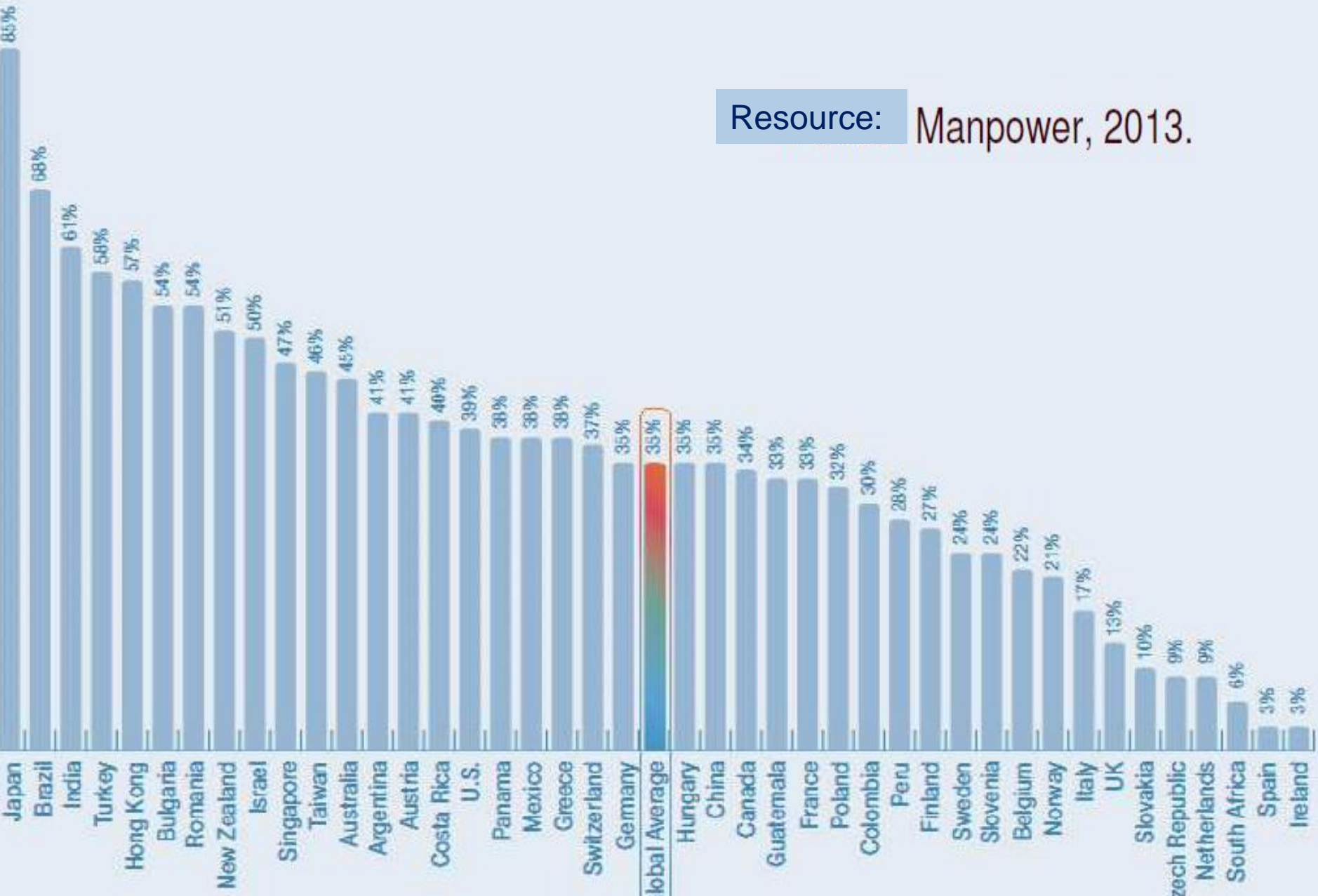
in a new kind of economic/social
environment

A war – why?

- new types of needs of postindustrialized, knowledge-based, globalized and also of rising economies
- a clear shortage of talent pool for economy (Hámori & Szabó, 2013; Szabó, 2011; Talent shortage survey, 2013) – *scarce resources*
 - higher and higher level of economy
 - older generations
 - uneven level of education
 - uneven pushing/pulling factors of the different countries/economies

GLOBAL: % HAVING DIFFICULTY FILLING JOBS

Resource: Manpower, 2013.



Not any

- country
- education system
- group of experts in given fields

is/are able in a globalized economy

- to develop ALL (type of) talents they need
- to miss international knowledge base for their talents
- to miss internationalised talents today

THE BRAIN-GAME

- brain drain
- brain gain
- brain circulation



To learn about the „battlefield” (market) or „*Why to rate and rank?*”

- to learn about ourselves and the others
- to know the positions
- to learn about the possible movements
- to identify our/others long-time goals
- to carry out proper strategic and tactical decisions

Rating and ranking the relevant factors/1.

- different steps
How to measure (complex) phenomenon/phenomena?
- different methods
How to make a comparison and a rank order among the measured/rated entities?
- they are different but rely on each other very much

Rating and ranking/2.

- in education
 - big scale
 - international
 - comparative
 - system level
 - achievement
 - studies

e.g.

- **IEA/TIMSS**

International Association for the
Evaluation of Educational Achievement

- **OECD/PISA**

Organization of Economic Co-operation
and Development

Result: a league table

PISA 2012 was presented on 3 December 2013, with results for around 510,000 participating students in all 34 OECD member countries and 31 partner countries.^[7] This testing cycle had a particular focus on mathematics, where the mean score was 494.

OECD members as of the time of the study are in **boldface**.

Maths		Science		Reading				
1	 Shanghai, China	613	1	 Shanghai, China	580	1	 Shanghai, China	570
2	 Singapore	573	2	 Hong Kong, China	555	2	 Hong Kong, China	545
3	 Hong Kong, China	561	3	 Singapore	551	3	 Singapore	542
4	 Taiwan	560	4	 Japan	547	4	 Japan	538
5	 South Korea	554	5	 Finland	545	5	 South Korea	536
6	 Macau, China	538	6	 Estonia	541	6	 Finland	524
7	 Japan	536	7	 South Korea	538	7=	 Taiwan	523
8	 Liechtenstein	535	8	 Vietnam	528	7=	 Canada	523
9	 Switzerland	531	9	 Poland	526	7=	 Ireland	523
10	 Netherlands	523	10=	 Liechtenstein	525	10	 Poland	518
11	 Estonia	521	10=	 Canada	525	11=	 Liechtenstein	516
12	 Finland	519	12	 Germany	524	11=	 Estonia	516
13=	 Canada	518	13	 Taiwan	523	13=	 Australia	512
13=	 Poland	518	14=	 Netherlands	522	13=	 New Zealand	512
15	 Belgium	515	14=	 Ireland	522	15	 Netherlands	511
16	 Germany	514	16=	 Macau, China	521	16=	 Macau, China	509
17	 Vietnam	511	16=	 Australia	521	16=	 Switzerland	509
18	 Austria	506	18	 New Zealand	516	16=	 Belgium	509

The Global Talent Competitiveness Index, 2013

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Other INSEAD-indices

- Global Innovation Index (since 2007)



Top Ten 2013 ranking

1	Switzerland (<i>Number 1 in 2012</i>)	6	Finland (4)
2	Sweden (2)	7	Hong Kong (China) (8)
3	United Kingdom (5)	8	Singapore (3)
4	Netherlands (6)	9	Denmark (7)
5	United States of America (10)	10	Ireland (9)

- Global Information Technology Report (since 2001)



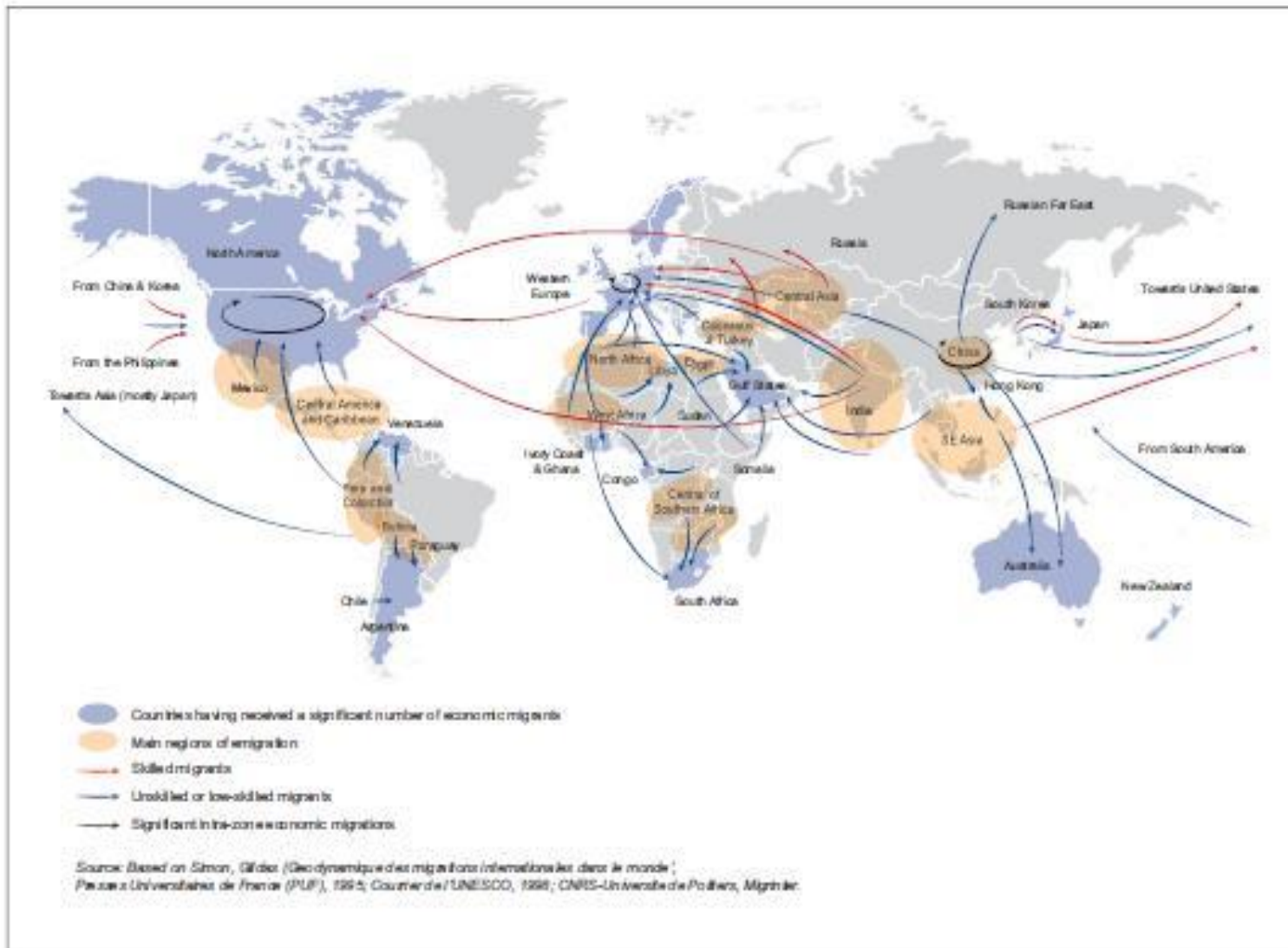
#	Global Innovation Index
1	Switzerland
2	Sweden
3	Singapore
4	Finland
5	United Kingdom
6	Netherlands
7	Denmark
8	Hong Kong
9	Ireland
10	United States of America

Axioms

- „Today's economy benefits from being *global* and *mobile*.”
- „The engine of this global and mobile world is talent.”
- „All [countries] can benefit from being able to access simple and credible tools to monitor current efforts, identify best practices, and chart the course ahead.”

World *uneven* mobility

Figure 1: Migration of skilled and unskilled labour between regions of the world



„countries are competing globally

- to grow better talents,
- to attract the talents they need
- to retain those that bring them competitiveness, innovation and growth

- while seeking to put

- economic and
- social policies

in place that will facilitate this. „

Purpose of the GTCI

- governments
- business
- various components of civil society

need quantitative instruments that can

- inform their decisions
 - help them to
 - design
 - implement
- better policies in areas such as
- education,
 - human resource management
 - immigration

Talent definition

„*The Economist* noted in 2006 that “companies do not even know how to define ‘talent’, let alone how to manage it.

- Some use it to mean people like Aldous Huxley’s alphas in *Brave New World* – those at the top of the bell curve.

rarity; vertical, pyramid model; elitist approach, social psychological model based on individual and social differences between individuals
differences between different individuals’ abilities, achievement etc.

- Others employ it as a synonym for the entire workforce, a definition so broad as to be meaningless.”
 - *common; horizontal, plain model, democratic model, based on abilities as inner individual traits*
 - **differences between the same individual’s abilities**

6 (input/output) pillars, 14 subpillars, 48 variables (INPUT) 1 Enablers

1.1 Regulatory landscape

- 1.1.1 Government effectiveness
- 1.1.2 Political stability
- 1.1.3 Starting a foreign business

1.2 Market landscape

- 1.2.1 Intensity of local competition
- 1.2.2 Venture capital availability
- 1.2.3 Firm-level technology absorption
- 1.2.4 R&D expenditure
- 1.2.5 ICT access
- 1.2.6 Ease of doing business

1.3 Business landscape

- 1.3.1 Labor market flexibility
- 1.3.2 Reliance on professional management

(INPUT) 2 Attract

2.1 External openness

- 2.1.1 FDI inflow
- 2.1.2 Qualified labor inflow
- 2.1.3 Prevalence of foreign ownership

2.2 Internal openness

- 2.2.1 Tolerance of minorities
- 2.2.2 Tolerance of immigrants
- 2.2.3 Social mobility
- 2.2.4 Female professionals and technical workers
- 2.2.5 Female parliamentarians

(INPUT) 3 Grow

- **3.1 Formal education**
 - 3.1.1 Pupil-teacher ratio
 - 3.1.2 Technical/vocational enrolment
 - 3.1.3 Tertiary enrolment
 - 3.1.4 Reading, maths and science scores
 - 3.1.5 QS university ranking
 - 3.1.6 International students inflow
- **3.2 Lifelong learning**
 - 3.2.1 Quality of management schools
 - 3.2.2 Extent of staff training
- **3.3 Access to growth opportunities**
 - 3.3.1 Use of virtual social networks
 - 3.3.2 State of cluster development
 - 3.3.3 Quality of scientific research institutions
 - 3.3.4 Voicing concern to officials

(INPUT) 4 Retain

4.1 Sustainability

- 4.1.1 Pension system
- 4.1.2 Extent of effect of taxation

4.2 Lifestyle

- 4.2.1 Environmental performance
- 4.2.2 Property stolen
- 4.2.3 Safety at night
- 4.2.4 Physicians density

(OUTPUT) 5 Labor and vocational

5.1 Employable skills

- 5.1.1 Secondary-educated workforce
- 5.1.2 Technicians and associate professionals
- 5.1.3 Youth employment

5.2 Labour productivity

- 5.2.1 Labour productivity per employee
- 5.2.2 Relationship of pay to productivity

(OUTPUT) 6 Global knowledge

6.1 Higher skills and competencies

- 6.1.1 Tertiary-educated workforce
- 6.1.2 Legislators, senior officials and managers
- 6.1.3 Professionals
- 6.1.4 Researchers

6.2 Talent impact

- 6.2.1 Innovation output
- 6.2.2 New product entrepreneurial activity

3 indices – 2 subindices + 1 global index

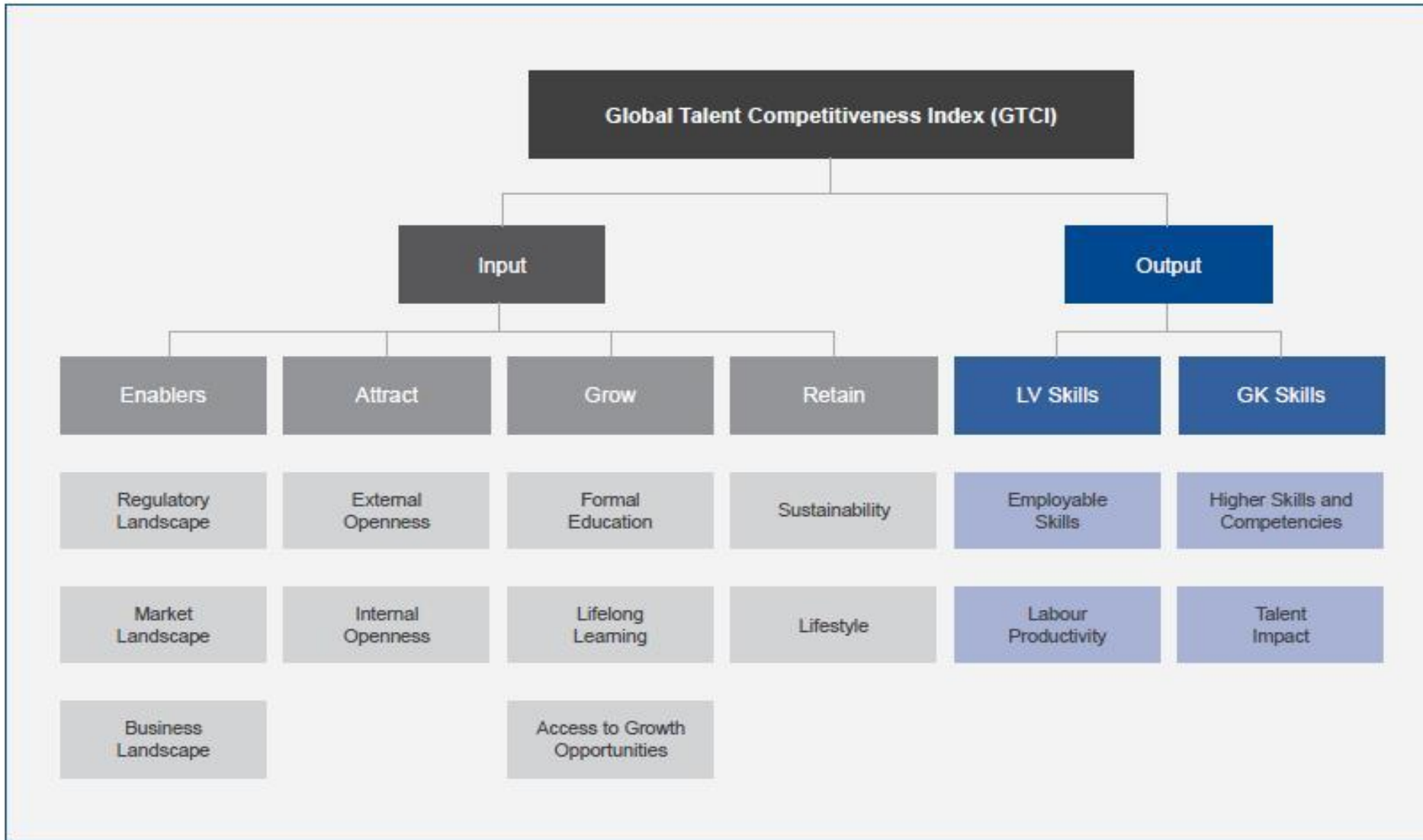
- 4 input sub-index
- 2 output sub-index
- The global index

The Global Talent Competitiveness Index

- THE overall index
- computed as the direct arithmetic average of the scores obtained on each of the six pillars

Input/output model

Figure 2: GTCI model 2013



LV/GK skills

- LV – Labour and Vocational skills

- GK – Global Knowledge skills
deal with knowledge workers in
professional
managerial
leadership roles

their impact is evaluated by indicators related to
innovation &
entrepreneurship

GTCl-index 2013 covers

- 103 countries, representing
- 86.3% of the world's population
- 96.7% of the world's GDP (in US dollars)

The global league table 1.

Table 1: Global Talent Competitiveness Index rankings (continued)

Country	Score (0-100)	Overall Rank	Income Group	Income Group Rank	Regional Group	Regional Group Rank
Switzerland	74.83	1	HI	1	EUR	1
Singapore	70.34	2	HI	2	ESEAO	1
Denmark	68.93	3	HI	3	EUR	2
Sweden	68.86	4	HI	4	EUR	3
Luxembourg	68.70	5	HI	5	EUR	4
Netherlands	68.16	6	HI	6	EUR	5
United Kingdom	68.13	7	HI	7	EUR	6
Finland	67.73	8	HI	8	EUR	7
United States	67.58	9	HI	9	NAC	1
Iceland	67.07	10	HI	10	EUR	8
Canada	66.27	11	HI	11	NAC	2
Norway	66.01	12	HI	12	EUR	9
Belgium	65.67	13	HI	13	EUR	10
Austria	65.64	14	HI	14	EUR	11
Australia	65.01	15	HI	15	ESEAO	2
Germany	65.00	16	HI	16	EUR	12
New Zealand	64.40	17	HI	17	ESEAO	3
Ireland	63.30	18	HI	18	EUR	13
United Arab Emirates	60.87	19	HI	19	NAWA	1
France	60.82	20	HI	20	EUR	14
Japan	59.89	21	HI	21	ESEAO	4
Czech Republic	58.51	22	HI	22	EUR	15
Estonia	58.50	23	HI	23	EUR	16
Israel	56.58	24	HI	24	NAWA	2
Slovenia	55.68	25	HI	25	EUR	17
Montenegro	54.98	26	UM	1	EUR	18
Slovak Republic	54.84	27	HI	26	EUR	19

The global league table 2.

Slovak Republic	54.84	27	HI	26	EUR	19
Korea, Rep.	54.46	28	HI	27	ESEAO	5
Malta	54.10	29	HI	28	EUR	20
Latvia	53.93	30	HI	29	EUR	21
Chile	53.75	31	HI	30	LCN	1
Poland	53.29	32	HI	31	EUR	22
Cyprus	52.78	33	HI	32	NAWA	3
Qatar	52.73	34	HI	33	NAWA	4
Spain	52.08	35	HI	34	EUR	23
Italy	51.64	36	HI	35	EUR	24
Malaysia	51.54	37	UM	2	ESEAO	6
Portugal	51.47	38	HI	36	EUR	25
Lithuania	51.21	39	HI	37	EUR	26
Hungary	50.34	40	UM	3	EUR	27
Costa Rica	49.72	41	UM	4	LCN	2
Saudi Arabia	48.23	42	HI	38	NAWA	5
Bulgaria	47.56	43	UM	5	EUR	28
Panama	47.36	44	UM	6	LCN	3
Croatia	45.57	45	HI	39	EUR	29
Kazakhstan	44.99	46	UM	7	CSA	1
China	44.94	47	UM	8	ESEAO	7
Lebanon	44.90	48	UM	9	NAWA	6
Uruguay	44.75	49	HI	40	LCN	4
Georgia	44.64	50	LM	1	NAWA	7
Russian Federation	44.10	51	HI	41	EUR	30
Macedonia, FYR	43.89	52	UM	10	EUR	31
Trinidad and Tobago	43.23	53	HI	42	LCN	5
Argentina	43.13	54	UM	11	LCN	6
South Africa	43.09	55	UM	12	SSF	1

Some results: countries/regions

- Switzerland + mainly (North-)European countries excell (Denmark, Norway, Sweden etc.) + German speaking countries (Austria, Germany)
- East-/South-East Asia (Singapore, Japan)
- English-speaking „immigration“-countries from the West and East-/South-East Asian reagions (out of Europe) (USA, Canada, Australia, New Zealand, Ireland)
- Middle-East (Arab Emirates, Israel)
- (Czech Repuublic/22)
- Latin-America (Chile/31)
- Africa (South Africa/55) (Dutch/English background)

The authors' short evaluation

Switzerland (p. 182)

- Its overall GTCI score results from high performance across virtually all variables of the model (very even, well balanced)
- Switzerland is also 1st on the Input Sub-Index, where its performance is evenly high, with the possible exception of the Attract pillar (18th)
- on the Output Sub-Index Switzerland's performance is particularly high on the variable of innovation output
- it also ranks 1st on both the LV and GK pillars.

The authors' short evaluation

Singapore (p. 175)

- ranks exceptionally high on Enablers (3rd).
- it features a high inflow of international students
- does not score as high on the sub-pillars of Internal Openness (27th), Access to Growth Opportunities (30th), and Employable Skills (20th).
- Formal Education (8th)
- and Higher Level skills (2nd) are strong,
- Singapore's Talent Impact (25th) could be strengthened by more emphasis on entrepreneurial activity (45th).
- Singapore's position is driven by its strengths in both the Input (2nd) and Output (6th) sub-indices, especially on the GK side.

The authors' short evaluation

Hungary (p. 33)

- **Hungary**, 3rd in upper-middle income group
- relative strengths in the
 - Enablers (31st)
 - LV (34th)
 - and GK (38th) pillars.
- ranks relatively lower in the
 - Retain (40th)
 - Grow (48th),
 - and Attract (61st) pillars
- commendable performance in
 - female professionals
 - technical workforce,
- low scores
 - female parliamentarians (87th),
 - social mobility (91st),
 - and qualified labour inflow (93rd)
- in Grow pillar
 - relatively high Formal Education (43rd)
 - and low Lifelong Learning (74th).

The authors' short evaluation

Kazakhstan (p. 139)

- leading position amongst the regional group
- it is supported by its input rank of 48th and output rank of 52nd.
- particularly strong on the
 - Attract (29th) pillar
 - LV skills (33rd)
- the External Openness rank (33rd) and the Internal Openness rank (28th) are supporting this.
- ranks high for
 - female professionals
 - technicians
- moderately in its tolerance to
 - minorities (19th)
 - immigrants (25th)
- External Openness, FDI inflows rank high (12th),
 - the remaining elements rank lower:
 - qualified labour inflow occupies 55th place
 - prevalence of foreign ownership 75th
 - other pillars are not as strong
 - Retain (45th)
 - Enablers (57th)
 - GK skills (80th)
 - Grow (82nd).
 - formal education ranks low (64th),
 - Lifelong Learning even lower (70th)
 - Access to Growth Opportunities is very low (92nd).
 - The Grow pillar reveals the lack of a solid foundation and might be an urgent area to address.

Country profiles – Some examples

- **China** (47) (p. 110)
- **USA** (9) (p. 191)
- **Russian Federation** (51) (p.171)

The small, the huge and the developing

➤ The small-country phenomenon

- Switzerland
- Singapore
- North-European countries

➤ The huge-country phenomenon

- USA

➤ The emerging-economy phenomenon

- China
- Vietnam etc.

The INCOME-ladder

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Iceland	67.07	10	HI	10	EUR	8
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Belgium	65.87	13	HI	13	EUR	10
Austria	65.64	14	HI	14	EUR	11
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Japan	59.89	21	HI	21	ESEAO	4
Czech Republic	58.51	22	HI	22	EUR	15
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A high correlation

- between GTCI and GDP

Table 2: Income group average scores

	Classification	GTCI	Enablers	Attract	Grow	Retain	Labour and Vocational	Global Knowledge
INCOME LEVELS	High Income	58.40	66.97	59.46	60.42	63.62	50.69	49.25
	Upper middle Income	41.91	47.01	49.84	45.43	45.22	36.28	27.67
	Lower middle Income	37.79	40.92	48.85	40.81	41.14	32.87	22.17
	Low Income	31.51	38.25	45.75	34.35	34.60	29.78	6.32

The 6 main messages

- The global war for talent is on, and it is an uneven one
- Fostering talent competitiveness is a complex task, especially in poorer countries
- Upcoming 'talent champions' are emerging
- The global map of talent competitiveness bears the mark of history
- Global Knowledge Skills are critical and strategically important
- Expect more changes in the coming years

Final conclusions

- For all types of economies, the challenges of upgrading skills are both immense and urgent.
- They include both the global knowledge skills linked to leadership and innovation
- and the labour and vocational skills required
- to build infrastructure, and provide housing, schooling and other critical foundations of a modern economy.
- This requires a fresh look at
- immigration, educational upgrading and reform, social mobility,
- apprenticeships and lifelong learning, as well as ensuring
- appropriate regulation and flexibility in labour markets.

What else could inform the readers?

Many (but not index-type) things; eg. more exploratory information and deeper analyses

- best practices in the given countries' talent economy
- country analyses about each country by their profiles carried out by a small group of experts
 - local expert (who also understands the country and the culture well)
 - outside expert (who knows the given country well)
 - international independent expert (without a solid knowledge of the given country)

The „leaning *PISA*-tower” phenomenon of generating an index like GTCI



However and still: PISA

- strong performers
- poor performers
- rising performers
- slipping results

Dear Global Talent Experts,

almost thank you for your attention!

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A Columbo-page...



Sorry for coming back; I just need to ask you one question that remained:

„Is there anybody around who is by chance familiar with talent practices in Switzerland...??? At least to me this seems to be a secret. We have to unfold it! Hm...”

„Support for gifted education is widespread in many European countries (Mönks & Pflüger, 2005). In Switzerland, gifted students are recognized as a group of students with special needs in the school legislation of most Swiss cantons.”

(Karnes & Stephens, 2009, p. 1328)

Larisa V. Shavinina
Editor

International
Handbook
on Giftedness

Part Two

Springer

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