Global nomads: Key players for global growth

Global nomads can be key employees to help your company's global growth, according to a study by IESE's International Research Center on Organizations.

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Statistics show that companies are becoming more selective about whom they send abroad and where they send them. At the same time, more international companies are opting for shorter assignments.

Executives posted abroad with their families are becoming a relic of the past due to the high cost of such moves. And although most expat workers fall between the ages of 30 and 50, that age group is declining as a percentage of the total as younger staff members are increasingly sent abroad.

These are some of the findings presented in the "Global Thinking" study by IESE's International Research Center on Organizations (IRCO), in collaboration with ERES Relocation Services in Spain. The report was written by IESE professor José Ramón Pin and researcher Pilar García Lombardía.

As for where expat workers go, the study notes that the United States, China and the United Kingdom are the world's top expat destinations. These three countries together account for 44 percent of overseas assignments.

Meanwhile, Argentina, Colombia, Indonesia, Kazakhstan, Malaysia and Spain are all emerging as important destinations for globalization. Looking forward, China, India and Brazil are identified as presenting particular challenges for human resources (HR) departments.

Four types of "expatriate-able" talent

With all these changes afoot in the global context, the authors note that HR departments should become strategic partners of senior management to best identify "expatriate-able" talent in their organization. The types of workers to send overseas may be divided into four categories in order to help think strategically about their careers.

1. Ready and willing: Self-designed careers. To a large extent this category corresponds to "global nomads": people with an international lifestyle who see mobility as a way to satisfy both personal and professional goals in their lives. This emerging group of workers is key for HR to incorporate into strategic planning.

Global nomads tend to be young and flexible, willing to accept posts that older colleagues might reject — or accept only under highly beneficial, highly compensated terms. Global nomads might hail from any country, although in recent years the percentage coming from China and India has grown substantially.

Global nomads view their career as a never-ending string of international opportunities, so motivating and retaining them is not easy. In order to increase loyalty to their current employer, traditional economic incentives are not the best way to go. They respond better to new challenges to develop their skills and a career path with the promise of various international assignments with varying responsibilities.

The study also finds that global nomads move into the other categories of workers in the table, becoming more valuable to the company along the way. Because global nomads can become tomorrow's strategic business leaders, retaining them can help a company meet its needs anywhere in the world and support its global growth.

2. High-potential, emerging talent. This group is made up of potential future leaders who are interested in acquiring international experience. In many cases, they come from the "global nomads" group and may end up becoming strategic leaders in a few years, thanks to their commitment to their company's culture and mission.

3. Technical experts with experience. These are people with expertise and technical skills suited to meet specific needs of the company. They are specialists able to solve problems or carry out specific projects anywhere in the world. When they emerge from the "global nomads" group, a competitive advantage is clear: unlike most technical experts, they are already accustomed to working abroad.

4. Strategic business leaders. This group consists of experienced, high-performing executives with a strong sense of corporate mission. They are highly valuable to the company, especially if they have developed their career in-house, as one of their most important jobs is to spread the company's culture and mission around the world. One of the main goals of a global talent-management strategy is to establish policies that ensure the company has enough of these strategic leaders.

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