THE CONTINUING popularity of the country's "Big OE"—the rite-of-passage in which thousands of Kiwis in their twenties, particularly well-educated ones, head overseas for a few years to see the world—contributes to the high number of New Zealanders living abroad. At any given moment, a fifth of all New Zealanders live overseas, mostly in Australia, Britain, and other English-speaking countries. Is this something we should worry about?
Financial constraints also tend to impact significantly on the flow of people across the world. The credit crisis and the downgrading of the United States’ credit rating, both of which are occurring as we write this (August 2011), make us wonder if the situation is developing into yet another economic recession.

The recession of 2008-9, for example, was credited with inducing more expatriate New Zealanders than usual to return home. However, the labour market had tightened here too, and many of these people found themselves unemployed or underemployed. Some may since have returned abroad to seek new opportunities in the global market place as the financial crisis eases.

Fuelled by media headlines such as “Have brains, will travel”, “Kiwi, please come home”, and “Flight of the Kiwi shows unhappiness over NZ’s prospects”, debate on New Zealand’s brain drain has flourished. In addition, when, for perfectly good economic reasons, large companies such as Fisher & Paykel shift their manufacturing—and therefore their manufacturing jobs—overseas, it seems that the human process is being exacerbated by an economic/technical process. But is it a ‘brain drain’, or a net ‘brain gain’ (where gains through immigration exceed losses through emigration)? The authors of this article prefer to use the term ‘talent flow’, believing that ‘talent’ is broader and more accurate than ‘brain’, and be-fitting to use the term ‘talent flow’, believing that ‘talent’ 'flow' nicely denotes the constantly changing outwards and inwards processes involved. To control, or benefit from, talent flow, we need to understand not merely the numbers involved, but also the types of talent and the underlying causes of flow.

The raw statistics indicate reason for concern. Since the turn of the century, a net average of nearly 25,000 New Zealand citizens have left the country each year. There was, however, some optimism at the beginning of the decade. In a paper entitled ‘Time to celebrate international brain exchange: New Zealanders still come home’, University of Waikato population expert Jacqueline Lidgard highlighted the increased value of these returnees, pointing to “the new ideas, experiences, networks and money that expatriates contribute to New Zealand society.” This emphasises that the talent flow of Kiwi returnees is different from, and in some respects probably superior to, the outflow. Also, the steady inflow of new, talented migrants, vetted by the authorities for qualifications, skills, and experience, and on average probably better than the outflow in significant respects, is a major but undervalued and underemployed resource. In this article, however, we want to focus on the ‘flying Kiwis’.

The Role of Mobility

INTERNATIONAL mobility assists the global economy because it contributes to the diffusion of knowledge. Individuals take with them their skills and experience, and when they combine these with the skills and experiences of others in the host country they develop and release new and different talents, including individual competencies, increased self-confidence, and interpersonal and cross-cultural skills. In addition, they develop new networks, both at work and socially, and work in cross-national, cross-cultural and cross-disciplinary teams able to do things that their groups back in New Zealand could never accomplish. Whatever the effect of the OE on New Zealand, we believe that its effects on the individual, and on the world, are positive.

To better understand the process, we put forward an academic concept that is very fashionable in understanding how firms succeed: the Resource-Based View (RBV) of the firm. In RBV, firms cultivate ‘bundles’ of resources—often ‘human’ resources—that are valuable, rare, and impossible to imitate, and by doing so they achieve competitive advantage. If we apply the RBV at the individual level—the Resource-Based View of the Person, or RBVP—we can see how international mobility might help travellers acquire valuable and rare personal or career resources, especially if they are well attuned to changes in the technical and labour market environment.

In a related metaphor, that of ‘career capitalism’, individuals have a stock of career capital—motivation, skills and networks connections—which value they may constantly seek to increase in relation to the demands of the market. So international mobility and working overseas is not just about “how much money will I make?” but also “what will I learn?” and “how much will my career capital grow?” Studies we have done on Kiwi travellers suggest that in the early stages of their sojourn abroad they are relatively uninterested in their resources and their capital, but instead chase novelty, fun, and culture. Later, they become much more career focused, developing new career capital by acquiring such things as industry experience, IT skills, competency in a new language and greater social confidence.
Returning Birds

LIDGARD profiled New Zealand returnees at the turn of the century. Around a third were returning from Australia, a third from the United Kingdom (UK) and a third from other countries. Most were in their late twenties or thirties, although those returning from the UK, where there is an age limit on work visas, tended to be younger than those coming from Australia. Women were more likely to return than men—a trend evident from the 1990s. Those returning had a higher level of education than the general population. The desire to travel had been a key motivator for leaving the home country, but the economic situation had not influenced the decision to relocate. Family ties were the most important reason for returning, with people expressing a desire to bring up their children in New Zealand.

What about Kiwis still abroad? Between 2003 and 2008 Massey University researchers conducted a number of online studies of Kiwis currently resident abroad, and interviewed some of those recently returned. Kaye Thorn’s study of 2,608 highly-educated New Zealanders living and working abroad asked them where they intended to be living in five years’ time. Some 43 per cent expected to be living in their current country of residence, 22 per cent thought they would be in another country, while 35 per cent anticipated returning to New Zealand. Those intending to remain overseas had mainly moved abroad for financial and career opportunities, whereas those returning to New Zealand had done so for culture and travel opportunities.

This last finding (uneasily) echoes a finding from an earlier Massey University study which suggested that returnees to New Zealand had high affiliation (social) motivation while those remaining overseas had high achievement motivation. A further study by Barbara Myers and Kerr Inkson confirmed this, showing that family and friends, and the lifestyle of New Zealand were the key attractions for a return. Indeed, as a country New Zealand scores much higher in the international rankings of lifestyle indicators than it does on rankings of per capita GDP, and has even been referred to as a ‘lifestyle superpower’.

Overall, the findings of these studies suggests a broad tendency for those Kiwis who remain overseas to have a career focus and to be self-starting and self-oriented, and for those who return to value the sociability, leisure opportunities of New Zealand, which they see as a great place to raise children.

The problem is compounded by the fact that the very scale, scope and challenge of operations in many overseas companies are hard to match in New Zealand. One informant set herself the goal of being a top-level director of television documentaries. She was 38, had lived in London for 12 years, and worked as Assistant Director for a variety of documentaries, filmed all over the world, for the BBC. Why not Television New Zealand? She laughed at the suggestion. The kind of experience that some would-be high-fliers want simply isn’t, and can never be, available in New Zealand.

Returnees, however, highlight the gains from their overseas venture in terms of social and career capital. Although many had left New Zealand to travel and experience other cultures rather than to enhance their careers, they nevertheless felt they had gained skills and confidence that would benefit New Zealand. Of course, they do face ‘resettlement blues’. Half of
New Global Citizens

OUR STEREOTYPE of the Big OE portrays it as a simple there-and-back phenomenon. A few years ago that may have been accurate, but no longer. People do not simply move abroad and then return to spend the rest of their lives in the home country. The reality today is that people may leave and return many times. Or, they may go to another country, then move from there to a third one, then to a fourth. Thorn’s research identifies two distinct types of mobile New Zealander—the Boomerang Mover (who intersperses moves to other countries with returns to New Zealand) and the Global Nomad (who moves on from country to country with little revisiting). Two generations ago, most New Zealanders saw themselves as locals, with lives revolving around a specific location in the country. The next generation were nationals, who were New Zealanders first and foremost, even after their OE. Increasingly, today’s young are Global Citizens, who will move on to wherever the combination of personal history and motivation, economics, family circumstances and cultural opportunities draw them.

Consider, for example, the spatial trajectory of New Zealand mechanical engineer Brian Schlaadt, shown in Figure 1. Schlaadt’s mobility over the past 27 years involved repeated returns to New Zealand, with ventures to increasingly remote countries in between. The variety of motives driving his mobility behaviour at different stages of his career is indicated in the table below the diagram. Some of these relocations were self-initiated, while others were at the request of his company.
Schlaadt’s mobility highlights a significant issue that is likely to become increasingly important over the next decade. He has spent numerous years commuting to his job and living apart from his family. ‘Flexiblepatriates’ (flexible expatriates) like Schlaadt, along with those adopting other alternative working arrangements such as short-term or frequent-flyer assignments, are now a regular component of global business. From the organisation’s perspective such arrangements, which avoid the need to relocate the whole family, yield significant cost savings. One of the pitfalls of this type of assignment, however, is the ‘out of sight, out of mind’ conundrum, in which the flexpatriate is left to manage their job and living apart from his family without support from the organisation, at the risk of a compromised assignment.

The growing phenomenon of dual careers—where both partners in a relationship seek to pursue separate career objectives—also affects mobility, and is a major obstacle for either partner to move abroad or to return home. Complicating factors for a return home include lost opportunities for promotion and the difficulty of simultaneously obtaining career positions for two specialised professionals. Highly-skilled returnees need to be employed in ways that harness the benefits of their travels—and these may justify extra pay. The high number of returning women may thus retain valuable career capital for the organisation and the country. Should the draw of life in New Zealand be strong for someone living abroad, they may be able to relocate, without the complication of changing employment.

There is little doubt that New Zealanders will continue to spend short or long periods living and working abroad. We are a nation of travellers and this has implications for individuals, for organisations and for the country. So how do individuals, organisations, and society as a whole ensure maximum return on our investment in travel and travellers? It is up to all those who value the country and its people—the managers and entreprenuers within its borders, the young people keen to live offshore, and the new nomadic global citizens who originated in New Zealand and remember their homeland with goodwill—to recognise the increasingly mobile nature of society, to think carefully about issues of location, and to ask themselves what they and their organisations can do for, and with, their country.

**Diaspora**

A MAJOR potential—but as yet unexploited—source of competitive advantage for New Zealand is its diaspora: the one million or so New Zealanders who live outside their homeland. Many members of the diaspora have considerable talents and a residue of gratitude and goodwill toward their homeland. There is no reason in principle why the expertise of the Kiwi diaspora should not be mobilised. Some organisations seek to do so by staying in touch with former employees and contacts who have gone abroad. Successful New Zealand Governments have given funding to the Kiwi Expatriates Association (KEA: www.keanewzealand.com), a network of 25,000 members worldwide which, according to a 2009 Ministry of Economic Development report, has now achieved sufficient critical mass to make a difference if appropriately organised and utilised. Readers interested in capitalising on the diaspora network for their own and their organisation’s benefit can find out more from KEA itself.

A last point to consider is that in today’s connected world an individual’s geographic location is becoming irrelevant. Globalisation of work processes and the rapid development of new communication technologies have meant that people working together can be located in different parts of the world. For example, a fund manager could be at a computer in London, New York or Auckland, without impacting on the job they do. If an employee wishes to experience a different culture, or to accompany a partner abroad, it may be possible to continue to employ them, thus retaining valuable career capital for the organisation and the country. Should the draw of life in New Zealand be strong for someone living abroad, they may be able to relocate, without the complication of changing employment.

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**KEY TAKE-OUTS**

- Global mobility enriches New Zealand’s talent pool by building ‘career capital’ in the form of motivations, skills and network connections.
- Highly-skilled returnees need to be employed in ways that harness the benefits of their travels—and these may justify extra pay. The high number of returning women may necessitate more flexible work practices.
- In a connected world it is increasingly possible to continue to employ people wanting to live and work offshore, so retaining valuable skills for the organisation and the country.