



## Talent Wars - The Return of the NRI



*For decades India has faced a severe brain drain, as some of its best talent, especially executives with technical skills, sought opportunities elsewhere. While in the past it was widely accepted that the brightest Indians would go overseas to study and eventually settle, today there are clear signs that the tide may be turning as those same people seek new opportunities back home in the dynamic Indian market. But the success of non-resident Indian (NRI) returnees is not something that companies can take for granted.*

As the world turns its eyes to India as an economic powerhouse, both multinational companies (MNCs) and local majors are investing in setting up or expanding businesses in new sectors such as organized retail, manufacturing and R&D. Companies in India have also started adopting a high grade of technology and many strategic industries are investing in rapid innovation and modernization. In addition, more and more Indian companies have serious global ambitions, completing deals worth \$31.4 billion in 2007, up from about \$7 billion the previous year.

The primary challenge facing all of these organizations has been universal– the shortage not just of good talent, but specifically of good leadership. As a result, companies have had to look beyond the local or expatriate talent pool to fill the gaps, and NRI talent has been on the radar of most recruiters as a potentially good solution.

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### Return of the NRI

The IT industry was one of the first to look at relocating top NRI talent and reassigning them to leadership roles in India. Today, the demand for senior-level NRIs is being fuelled across all major industry sectors, but especially for highly-specialized roles such as actuarial, R&D, organized retail, and other sectors. NRIs, having worked in more “advanced” markets, can bring back the knowledge necessary to develop some of the more exotic financial products that are being introduced in India, for example. In addition, as Corporate India “globalizes,” NRIs’ international experience can help them succeed in leadership roles where an ability to interface seamlessly across cultures is becoming essential.

Another key factor for choosing Indian expats is the presumed ease with which they can blend into the Indian work culture and tackle the challenges of relocation. In addition, from the point of continuity, a foreign expatriate’s assignment in India is typically three-to-four years. However, a successful NRI could last much longer as they are more apt to stay in India permanently or semi-permanently and thus are considered a smarter long-term investment.

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### Homecoming Challenges

Of late, NRIs have been attracted to return to India for both their personal and professional development. Not only do they get the unique opportunity to drive new ventures and benefit from the country’s socioeconomic potential with compensation levels comparable to what they were receiving in other countries, but they have the chance to be closer to their families, especially aging parents, and to reconnect with their roots and cultural values.

But the journey back is not always easy. NRIs returning to India may face challenges in finding suitable schooling for their children, housing, and in some cases, struggle adjusting back into the local lifestyle, work culture and coping with the lack of good infrastructure, which tends to test their patience in many cases. NRIs who have strong family ties in India are often more successful because they can rely on that support system when they are on the ground. Absent that, to ease the transition, many employers have set up relocation programs that support returnees during the initial phase of their re-entry.

Professionally, the biggest challenge for NRIs is the work culture. Apart from differences in the approach to time management, the need to deal with ambiguity and various levels of formality, leadership styles in India can differ vastly from what NRIs are accustomed to. A recent Korn/Ferry-IMA study showed that Indian leaders tend to be hierarchical, while in comparison Western executives are much more consensus-seeking. Depending on how long an NRI has lived abroad, this difference can be difficult to overcome.

NRIs who have been gone too long are more prone to fail – the country has moved on, as have their peers. Expecting a more traditional and conservative India, they struggle when they instead encounter an India in transition. NRIs who have been gone five to fifteen years typically are able to absorb new corporate cultures and practices and different ways of working and therefore make good mid-level managers. But the more successful NRIs are those who have been away from India for less than five years and know better what to expect when they get back.

## Brain Gain Battle Will Intensify

NRIs offer a unique skill set and work experience and the battle for their talent is only intensifying, not just in India but worldwide. Companies looking to attract and hire NRI talent can ensure they do so successfully by:

- Determining the true motivation behind their desire to return home;
- Assessing the cultural fit and skills of an executive and mapping them against the specific demands of the position;
- Offering induction programs to smooth the transition period and to help manage expectations; and
- Committing to an “unlearning” on the part of the company as well as the executive.

There is no longer a one-way flow of talent out of India but rather a circular flow, and NRIs are an integral part of it. Given their unique experience and skill sets they can be tremendous catalysts in developing home-grown talent – and a valuable asset for corporate India as it steps on to the global playing field.



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