Why did a smaller number of foreign students choose to stay in the U.S. for work in 2017, based on data from U.S. Immigration and Customs Enforcement, U.S. Citizenship and Immigration Services and U.S. Department of Labor

Market demand and culture differences fuel the decline in growth of foreign students staying in the U.S. for work

Qiuxu Li, a recent law graduate from Georgetown University, got up the courage to join the freshman reception to practice networking for a job. Crowded by hundreds of native speakers, she sometimes had to repeat herself to be understood.

"It's really hard for an international student to find a job here," she said, "There are a lot of jobs that are only suitable for U.S. citizens."

Like Li, many foreign students are struggling with their status to seek jobs in the U.S. after graduation. A smaller number of them stayed last year, partially because their chances are reduced by limited demand for new employees and cultural differences in networking.

Number of foreign graduates working under OPT (2004-2017)
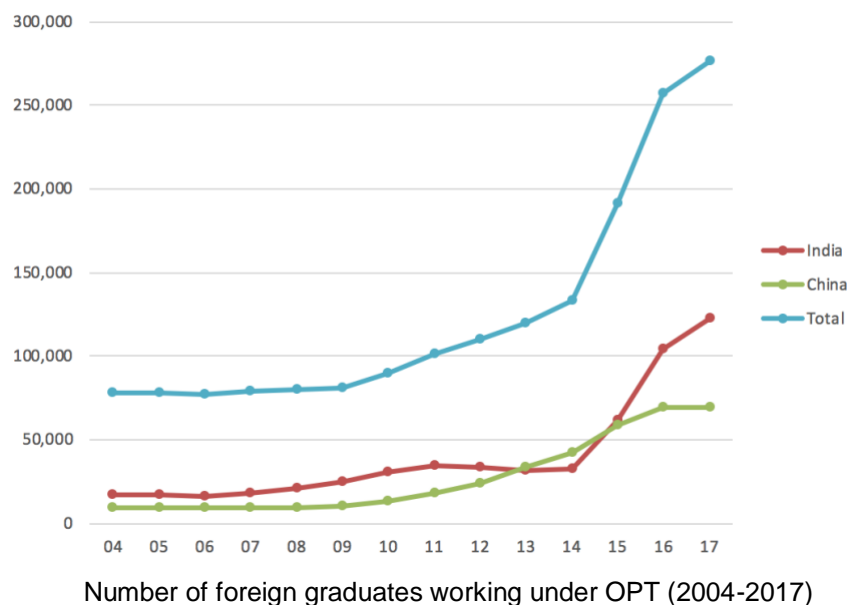
Note: Y value is the number of OPT approvals, X value is the year. Foreign graduates refer to those with an associate degree or higher from a U.S. college or university.

In 2017, the number of Optional Practical Training (OPT) approvals saw a flattened growth for the first time since 2004, the first year when data on all foreign students are available.

The growth rate in total in 2017 was 8 percent, a 26 percent drop compared with that of 2016. The increase slowed dramatically among Indian and Chinese students, the two largest components of foreign students in the U.S.
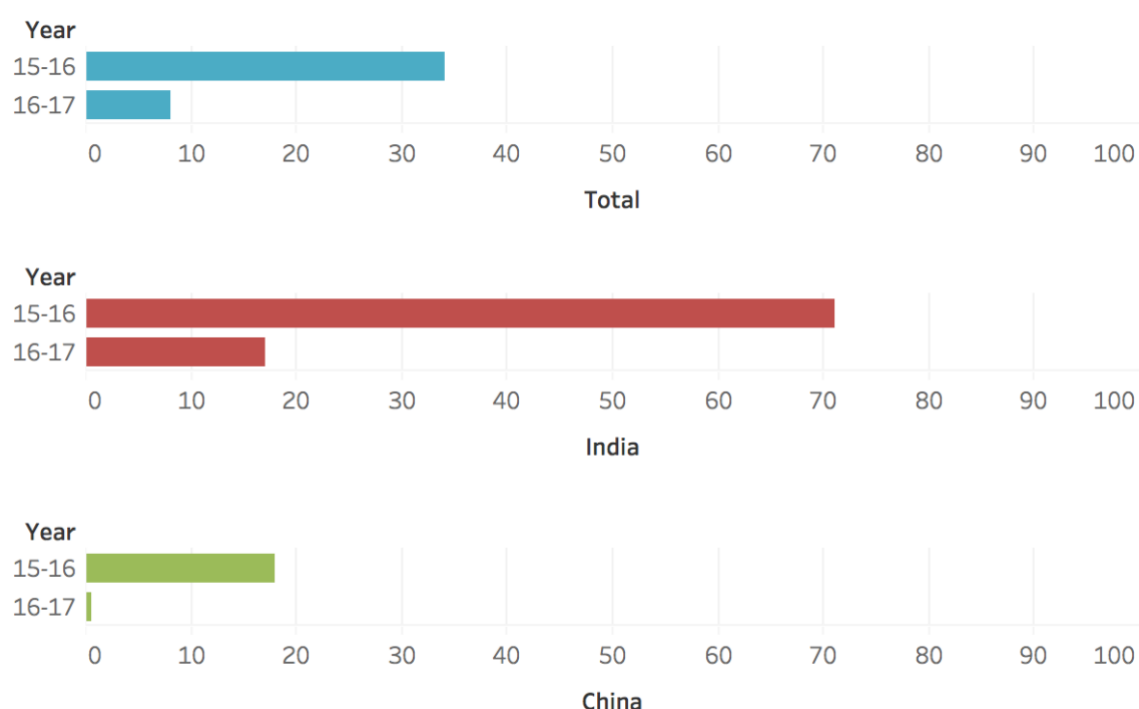

Percent growth of OPT approvals (2015-2017)

For many foreign students, staying in the States for one or three more years under OPT program gives them a crucial time window to find employers that would sponsor them H-1B visa, a three-year, renewable working visa granted to high-skilled foreign employees.

Competition is fierce: the government received in five days over 190,000 applications in April for the 85,000 H-1B visa cap for the 2019 fiscal year, according to data released by Department of Homeland Security. And the OPT approvals who may be waiting for a H-1B visa have far outnumbered the H-1B visa cap.
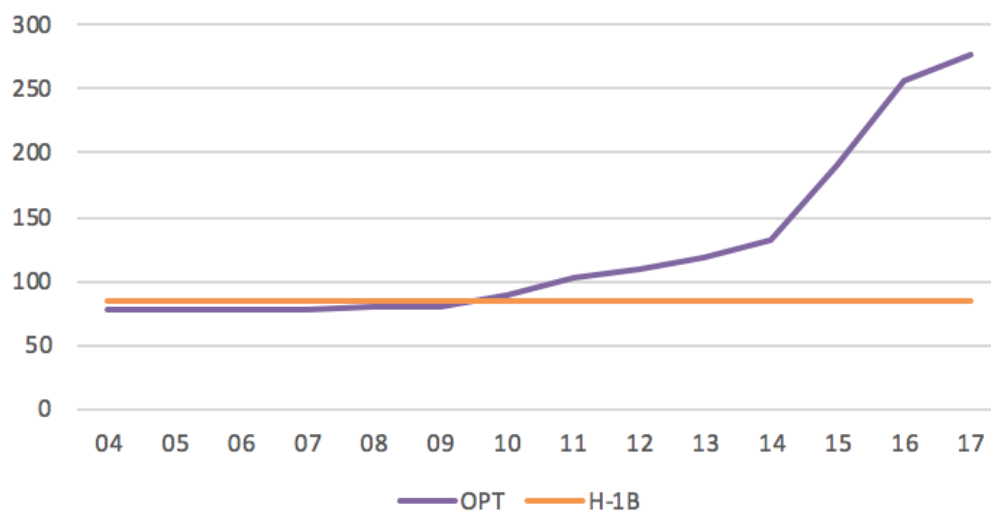

Number of OPT approvals and H-1B visa cap (2004-2017)

Note: The Y value is in thousands. The X value is year. The maximum of H-1B visa has remained the same as 85,000 since 2004.
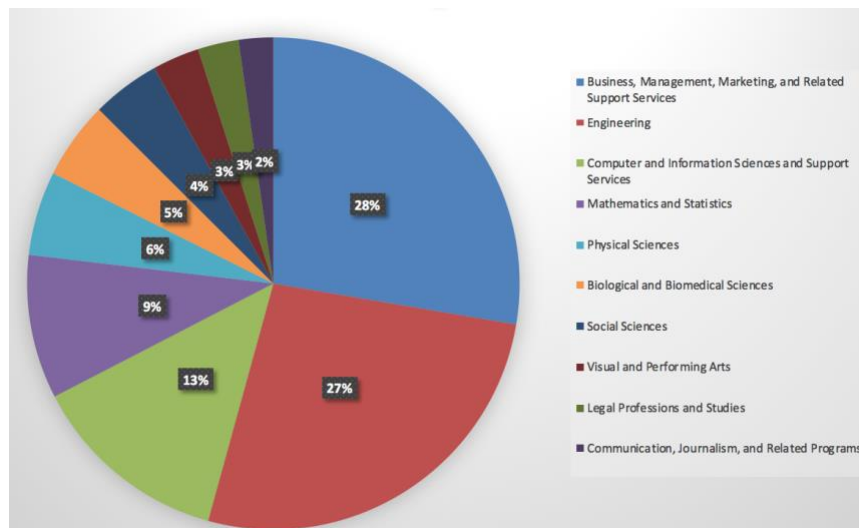
Source: OPT data excerpt is from Pew Research Center, which was received from U.S. Immigration and Customs Enforcement on April 2018 through a Freedom of Information Act request. H-1B visa numbers are from U.S. Citizenship and Immigration Services.

But the leap from OPT to H-1B may be hard for international students to accomplish as they would see fewer employment opportunities in industries with shrinking demand for new labor force, said Lindsay Lowell, a visiting researcher specializing in immigration policy at Georgetown University.

The industries that most of Indian and Chinese students majored in are engineering, computer science and business, which takes up more than a half of their choices.
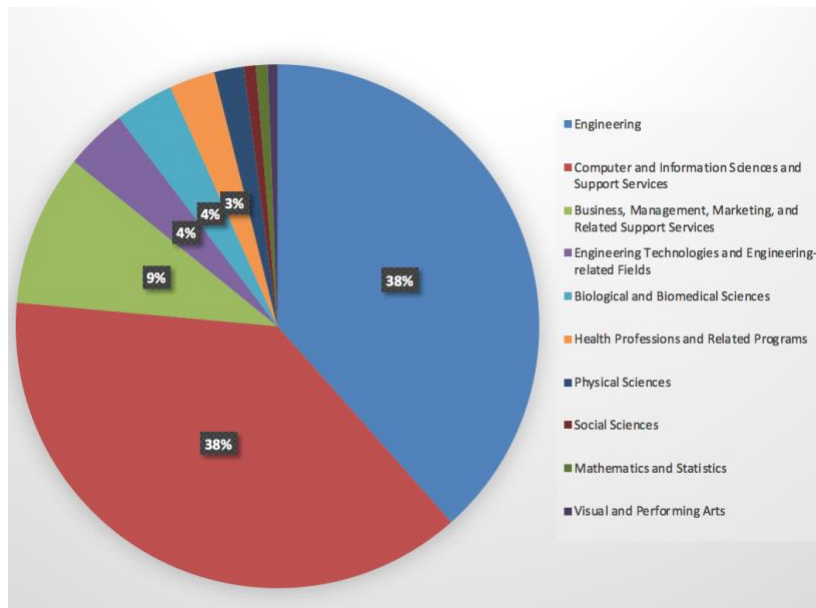
Top 10 fields of study among Indian graduates on OPT (2004-2017)

Top 10 fields of study among Chinese graduates on OPT (2004-2017)

Note: Majors are grouped based on the system from the U.S. Department of Education's Classification of Instructional Programs.

Source: Data excerpt from Pew Research Center, which was received from U.S. Immigration and Customs Enforcement on April 2018 through a Freedom of Information Act request.

Among the top 10 majors that Indian and Chinese graduates enrolled in, the number of jobs for computer programmers -- one of the most popular occupations among foreign students -- is estimated to fall by 7 percent from 2016 to 2026 in the U.S., as companies tend to move their programming projects to countries with lower wages, according to the outlook by Department of Labor.

"If [the projected decline]'s the case, maybe what you're seeing is a marketplace that's adjusting to what's a reasonable set of employment demand for OPT and H-1B," Lowell said.

As jobs for programmers became difficult to land in 2017, many foreign computer science majors have to look for openings in their home countries while applying for OPT program, a backup plan few students considered a few years ago, said Bowen Tsai, a 27-year-old Chinese who completed his master's degree in computer science in May last year.

"Labor force supply in America is so sufficient that you can assign highly skilled people to do basic work, and the result is many people would have no chance at all or have to try many times to find a job," said Tsai, who was rejected over 80 times before getting hired in the U.S. "But in China, lots of companies are vying for qualified candidates."

Many foreign students find it hard to get hired as structural engineers in the U.S., where construction sector has reached a mature level with slowed growth and limited demand for new employees, said Boqi Zhang, a Chinese student completing his master's degree in structural engineering at Northwestern University.

"For Chinese students I know [in my program], except for one who has a bachelor's degree in the States, none of the rest heard anything back from companies they sent their resume to," Zhang said.
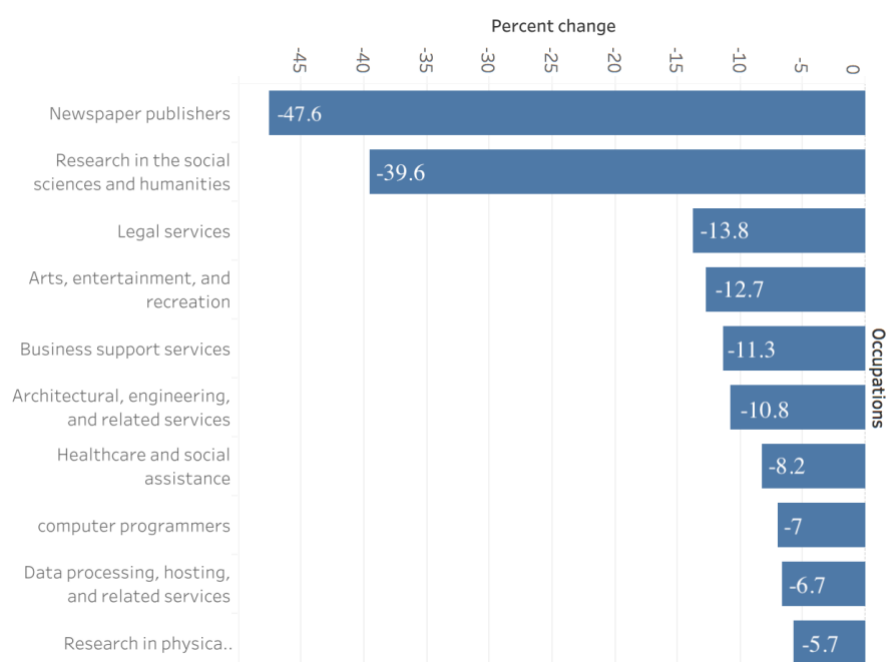
Fastest declining occupations projected 2016-2016 that are related with the top 10 fields of study among Indian and Chinese graduates on OPT (2004-2017)

Even in industries where employment opportunities are expected to increase, job-seeking foreign students often find it challenging to build connections with potential employers through networking because of cultural difference and language barrier.

Working on an unpaid internship, Li wanted to get paid as soon as possible because the last $3,000 from her family was running out. So was her time permitted to work legally in the U.S.

Because Li hasn't got the bar exam results, she could only apply for jobs like legal assistants and translators. After many online applications and second-round tests, Li haven't heard back from any of them.

Unlike computational programming and structural engineering, the legal industry is projected to see a 9 percent growth in employment from 2016 to 2026, according to the outlook by Department of Labor.

"That's because they will choose people they are familiar with, rather than me," she said. "Networking definitely influences me to find a new job here,"

Before coming to the U.S., Li knew nothing about networking. Now she kept bringing business cards in mind for networking events. "And you need to stay in touch with them, instead of just giving them your cards," she shared this lesson with her Chinese classmate.

"You have to be good at your network, even if you are not good at languages," she said, "Network[ing] is really important for international students to find a job."

Jiachen Xie, a recent graduate in product management, shared the same concern, when her industry expects to see a 10 percent growth in openings from 2016 to 2016.

Having worked in China in product management for three years, Xie came to the U.S. a year ago for its more mature internet industry and more job options. However, she got three to four job interview opportunities out of hundreds of applications.

She ascribed it to her spoken English level, the complexity of product manager's work and the cultural gap.

"I am not comfortable approaching Americans for networking, because that is not what I am familiar with," she said, "When you have to push yourself into that, you

may not do it as good or as long as you expected. Then less likely you can enjoy the same number of opportunities than American job hunters."

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