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Michigan’s New Economy

• Moving away from heavy reliance on auto industry and manufacturing

• Moving towards diversified, highly technological economy

• Need new, creative recruiting strategies that access previously untapped talent pools

• Not filling these positions will hinder the growth of Michigan’s economy
Competing in Today’s Global Market

• All businesses are global

• Linguistically and interculturally competent employees are essential
  – People who speak languages of clients/investors
  – Understanding how culture influences business relationships
Serving Diverse Clientele

• Customers gravitate towards companies that reflect their values and interests.

• Important to have interculturally competent staff

• Investors expect to see their interests represented
Finding the Talent We Need

Where are the jobs?

• In Michigan:
  – 5 engineering jobs for 1 engineering applicant

• U.S. Bureau of Labor & Statistics:
  – 2006-2016 – STEM fields growing fastest
  – Primarily math & computers
  – 230,000 STEM worker shortage by 2018

Where is the talent?

• <25% Michigan residents have a bachelor’s degree or higher

• International Students dominate PhDs in STEM fields
  • Engineering = 51%
    – Computer = 59%
    – Electrical = 58%
    – Mechanical = 53%
  • Sciences = 40%
    – Computer & Info Science = 46%
    – Physics = 45%
Immigrants are highly entrepreneurial

- 25% high tech companies 1995-2005 = 1 immigrant founder
- >40% Fortune 500 companies in 2010 = immigrant founders
- Highly educated immigrants 2x as likely to hold patents, 3x as likely to start their own business (6x in Michigan)
- 76% of patents from the top ten patent-producing universities in 2011 had a foreign born inventor.
- Business investments begin 13 years from arrival in U.S.

(Most entered initially as international students!)
Investing in Michigan’s Economic Future

Contribute $759 million to state’s economy

Enters U.S. to begin college

Filling immediate talent needs

Graduates and begins full-time employment on student visa

Creating 1.85+ jobs

Employer sponsors H-1B

6x more likely than native Michiganders

Becomes an entrepreneur

13 years (average)
Global Michigan Initiative

• Initiated by Governor Snyder
• Collaboration between Michigan Economic Development Corporation (MEDC) and the Michigan Department of Civil Rights (MDCR)
• Three Foci:
  – Business Attraction
  – Talent Retention (GTRI)
  – Sense of Place (Cultural Ambassadors)
Global Talent Retention Initiative

http://MiGTRI.org

• Product of the Global Detroit Study
  – http://www.globaldetroit.com

• International students
  – Specialized career development resources
  – Information on living and working in Michigan
  – Connections to Michigan employers

• Employers
  – Raising awareness
  – Immigration resources (i.e. webinars)
  – Assistance developing recruiting & hiring strategies
Hiring Foreign Nationals: Myth #1: Too Much Red Tape - FALSE

• With proper planning and a well seasoned immigration attorney, the process is not that difficult. *(GTRI can assist with planning process)*

• International Students come with their own work authorization. *(1 - 3 years)*
  – Should allow more than enough time for H-1B planning
Hiring Foreign Nationals: Myth #2: Not Worth the Effort - FALSE

• International students generally more loyal and stay longer
  – Average domestic graduate changes jobs every 2-3 years until age 35.
  – Even if international student needs to return home, you will have that employee the same amount of time as a domestic applicant.
Hiring Foreign Nationals: Myth #3: Displaces U.S. Workers - FALSE

• Studies show hiring foreign nationals with advanced degrees promotes job growth

100 H1Bs = 183 new jobs created
(In STEM: 262 jobs created)
Hiring Foreign Nationals: Myth #4: Too Expensive - FALSE

• As an investment, the return is far greater than the expense

• May avoid relocation costs
  (i.e. hire international students studying at MI universities)

• Not required to pay into FICA & Medicare
  – $ saved by employer can go towards H-1B application
  – Potentially, more $ saved than spent on H-1B application
## THE MATH – After 1 Year of Employment:

### Annual Salary: $60,000 (Mech. Eng. I, Salary.com)

<table>
<thead>
<tr>
<th>Hiring less qualified applicant from out of state:</th>
<th>Hiring international student from a Michigan university:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relocation Costs: $10,000</td>
<td>Relocation Costs: $0</td>
</tr>
<tr>
<td>FICA/Medicare: $4,590</td>
<td>FICA/Medicare: ($4,590)</td>
</tr>
<tr>
<td>Cost to Employer: $14,590*</td>
<td>Min cost of H1B: $3,000</td>
</tr>
<tr>
<td></td>
<td>Savings to Employer: $1,590</td>
</tr>
</tbody>
</table>

*Training Costs??????

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*GTRI Global Talent Retention Initiative of Michigan*
## EMPLOYMENT AUTHORIZATIONS FOR INTERNATIONAL STUDENTS

<table>
<thead>
<tr>
<th>Visa</th>
<th>Duration</th>
<th>Type of Employment</th>
<th>Authorization</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Academic Training (AT)</strong></td>
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</tbody>
</table>
| J-1                | 18 months (BA & MA)       | • Part or full time<br>• Pre- and post-graduation (cumulative)<br>• Job duties must be related to degree program | • Sponsoring School<br>• 1-2 wks<br>• Employer Specific | **Employer:** Offer Letter  
**Student:** Depends on Academic Institution |
|                   | 36 months (PhD)           |                                                         |                                                         |                                |
| **Curricular Practical Training (CPT)** |                           |                                                         |                                                         |                                |
| F-1                | Unlimited*                | • Part or full time<br>• Pre-graduation only<br>• Job duties must be “integral” to degree program | • Sponsoring School<br>• 1-2 wks<br>• Employer Specific | **Employer:** Offer Letter  
**Student:** Depends on Academic Institution |
| **Optional Practical Training (OPT)** |                           |                                                         |                                                         |                                |
| F-1                | 12 months (ALL degrees)   | • Full time***<br>• Post-graduation<br>• Job duties must be related to degree program | • USCIS<br>• 1-3 months<br>• Any employer | **Employer:** Offer Letter  
**Student:** Submits I-765 application to USCIS |
|                   | 29 months (STEM degrees**) |                                                         |                                                         |                                |

* >12 months of full-time CPT forfeits eligibility for OPT  
*** Full-time: 20 hours/week or more
2 Most Common Employer Mistakes

1. Not hiring seasoned immigration attorney
2. Lack of proper planning
• **Global Opportunity Employer**
  – Michigan employers willing to hire international students

• More efficient; less frustration

• Incorporating logo into career fairs and online database systems
The Benefits of Being a GOemployer

• It’s FREE!
• Direct access to Michigan’s top international talent
• Access to relevant immigration and cultural resources
• Assistance with the immigration planning process
• Supports U.S. & Michigan anti-discrimination law compliance
As a GOemployer
Your Company Pledges to:

• Consider all applicants, no matter their valid visa status & national origin
• Hire the most qualified candidate, without prejudice
• Forward job postings to GTRI for distribution
• Use GOemployer logo for all job postings and at career fairs
Do Great Minds REALLY Think Alike?

**NO!**

*Great Minds:*

– Bring different perspectives to the table
– Move the innovation process forward more productively
– Recognize great ideas no matter from whom they originate
– Welcome anything that promotes growth and prosperity