



# MELTZER HELLRUNG

IMMIGRATION SOLUTIONS

## 4 REASONS TO HIRE FOREIGN TALENT

We live in an increasingly global world. The greater mobility we enjoy today means businesses can choose the best candidate no matter their citizenship or country of residence. But many employers are understandably concerned about the costs and compliance issues involved in hiring foreign nationals.

In fact, businesses can realize multiple financial, cultural, and organizational benefits from employing foreign nationals, including quantifiable returns.

### 1 An expanded pool of specialized talent.



Foreign students accounted for 54% of all master's degrees and 44% of doctoral degrees in STEM disciplines awarded at U.S. colleges and universities in the 2016–17 school year.<sup>1</sup> To maintain a competitive edge in today's increasingly technology-focused business landscape, companies simply cannot afford to limit their options to U.S. citizens.

### 2 Potential cost savings over time.



While sponsoring foreign employees generally does require a financial investment, certain government initiatives and regulations can help lessen the costs.

- ⇒ Foreign graduates from U.S.-based STEM programs can qualify for three years of work authorization without sponsorship on the F-1 Optional Practical Training (OPT) visa for employment that is directly related to their major area of study.
- ⇒ Foreign nationals with F-1 visas are exempt from FICA and FUTA tax obligations for five years. Accounting for time already spent in the U.S. working toward their degrees, this generally means that bachelor's graduates are exempt for one year of work and master's graduates for two to three years. The resulting savings can easily offset the cost of immigration sponsorship during that time period, as shown in the below table.

ANNUAL SALARY	FICA/FUTA TAX SAVINGS PER YEAR
\$50,000	\$4,245
\$60,000	\$5,110
\$70,000	\$5,775
\$80,000	\$6,540
\$90,000	\$7,305

### 3 A diverse and vibrant workforce.



#### GREATER DIVERSITY OFFERS SEVERAL ADVANTAGES TO AN ORGANIZATION, INCLUDING:

- ⇒ Higher levels of innovation and creativity thanks to different viewpoints and experiences
- ⇒ Diverse skills and localized market knowledge to drive the creation of expanded products and services
- ⇒ Increased cultural sensitivity and insights for more effective marketing

Greater diversity can improve financial performance too. In one study, companies with the most ethnic diversity on executive teams were 36% more likely to have above-average profitability.<sup>2</sup>

### 4 Improved employee retention.



We all know the high cost of employee turnover. A proactive, well-designed immigration program can provide greater incentive for a foreign national employee to stay with the company for at least three years, reducing the need to search for, recruit, and train new hires.

## EXPAND YOUR HORIZONS—AND YOUR POTENTIAL

Companies that lag on diversity efforts risk falling behind. Foreign nationals can offer valuable skills and perspectives in an increasingly competitive and global business landscape, making the return on investment well worth the effort.

Meltzer Hellrung offers comprehensive business immigration support, including guidance and strategies for navigating the U.S. immigration system, with a technology-driven, programmatic, and responsive approach. Contact us today to learn how we can help your company thrive with access to foreign talent.

<sup>1</sup> Congressional Research Service, "Foreign STEM students in the United States," November 1, 2019; available at <https://crsreports.congress.gov>

<sup>2</sup> McKinsey & Company, "Diversity wins: How inclusion matters," May 19, 2020; available at <https://www.mckinsey.com/>