

SHRM

Research

2006 Access to Human Capital and Employment Verification

Survey Report

A Study by the Society for Human Resource Management



HR: Leading People, Leading Organizations



2006 Access to Human Capital and Employment Verification

Survey Report

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About This Report

In January 2006, the Society for Human Resource Management (SHRM) conducted its Access to Human Capital and Employment Verification Survey by asking HR professionals about their views on workforce training, skills and competencies, immigration issues and employment verification.

Findings are discussed in the survey results section. Statistically significant findings by organization type, staff size and industry are integrated in the survey report, where applicable. At the end of the report, the section titled "An HR Perspective" provides practical information for HR professionals regarding immigration. Interpretations about future trends in immigration are presented in the section titled "A Look Ahead."

About SHRM

The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 200,000 individual members, the Society's mission is to serve the needs of HR professionals by providing the most essential and comprehensive resources available. As an influential voice, the Society's mission is also to advance the human resource profession to ensure that HR is recognized as an essential partner in developing and executing organizational strategy. Founded in 1948, SHRM currently has more than 550 affiliated chapters and members in more than 100 countries. Visit SHRM Online at www.shrm.org.

About SHRM Research

SHRM Research produces high-quality, leading edge research and provides expertise on human resource and business issues for the purpose of advancing the HR profession. SHRM's cutting edge research is used by human resource professionals to develop their knowledge and to provide strategic direction to their organizations. As a leading expert in the field of HR, SHRM works closely with leading academics, policy makers and business leaders.

About the Author

Jessica Collison is the Survey Program manager for SHRM. Her responsibilities include management of the SHRM Survey Program, as well as design and analysis of surveys on HR-related topics. She has a graduate certificate in survey design and analysis.

Acknowledgments

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The Access to Human Capital and Employment Verification Survey was developed by the SHRM Survey Program. The SHRM Employee Relations Special Expertise Panel (specifically Pete Fornal, Brenda Tranchina, SPHR, Denny Schroeder, SPHR, Joanne Webster, SPHR, Christine Vion-Gillespie, SPHR, Merry Lee Lison, SPHR, and Nancy Glube), the SHRM Labor Relations Special Expertise Panel (specifically Mark Decker and Paul Salvatore), Melanie Young of the SHRM Global Special Expertise Panel, and Mary Anne Rizza, Avram Morrell, David Grunblatt and Lynn Shotwell provided valuable insight and recommendations for the survey instrument.

Introduction

The discussion of legal and illegal immigration and maintaining a safe and secure border is at the forefront of national conversation by the general public, the media and federal and state levels of government. At the same time, U.S. employers are beginning to face skill, competency and possible labor shortages in certain professions and industries, with these shortages anticipated to spread across all industries and professions as the baby boom generation begins to retire in earnest over the next few years.

The issues of immigration, workforce readiness and labor shortages may seem dissimilar at first glance. What brings these three topics together in this report is the fact that they have the combined potential to affect employers' access to human capital as the United States strives to compete in a global economy while maintaining a secure and efficient immigration system that supports the country's national security interests.

Methodology

The survey instrument was developed by the SHRM Survey Program with the help of the SHRM Employee Relations, Labor Relations and Global Special Expertise Panels and the SHRM Government Affairs department. The survey instrument is available upon request by contacting the SHRM Survey Program at surveys@shrm.org or by phone at 703-535-6301.

The sample was selected from SHRM's membership database, which at the time included approximately 200,000 individual members. Only members who had not participated in an SHRM survey or poll in the previous six months were included in the sampling frame. Members who were students, consultants, academics, located internationally or had no e-mail address on file were also excluded from the sampling frame. In January 2006, an e-mail that included a link to the Access to Human Capital and Employment Verification Survey was sent to 3,553 SHRM members. Respondents in the construction and mining/oil and gas industry, educational services, high-tech industry and wholesale/retail trade were oversampled to ensure a large enough number of respondents to determine differences by industry. These industries were assumed to use employment visas on a somewhat regular basis. In the end, 3,238 e-mails were successfully delivered, and 489 HR professionals responded, yielding a response rate of 15%. The survey was fielded for a period of two weeks, and two e-mail reminders were sent to sample members in an effort to increase the response rate.

Notes and Caveats

Analysis by organization staff size, industry and organization type: Throughout this report, analyses by respondents' organization staff size, industry and organization type are presented and discussed, when applicable. Organizations are grouped into three categories based on the number of employees at the HR professional's business location: small (1-99 employees), medium (100-499 employees) and large (500 and more employees).

Differences: Conventional statistical methods were used to determine if observed differences were statistically significant (i.e., there is a small likelihood that the differences occurred by chance). Therefore, in most cases, only results that were significant are included, unless otherwise noted.

Generalization of results: As with any research, readers should exercise caution when generalizing results and take individual circumstances and experiences into consideration when making decisions based on these data. While SHRM is confident in its research, it is prudent to understand that the results presented in this survey report are only truly representative of the sample of HR professionals responding to the survey.

Number of respondents: The number of respondents (indicated by "n" in figures and tables) varies from table to table and figure to figure because some respondents did not answer all of the questions.

Individuals may not have responded to a question on the survey because the question or some of its parts were not applicable or because the requested data were unavailable. This also accounts for the varying number of responses within each table or figure.

Confidence level and margin of error: A confidence level and margin of error give readers some measure of how much they can rely on survey responses to represent all of SHRM members. Given the level of response to the survey, SHRM is 95% confident that responses given by all respondents can be general-

ized to all SHRM members, in general, with a margin of error of approximately +/-4.5%. For example, 31% of respondents indicated that maintaining records when presented with a document that had an expiration date was a challenge they encountered in the I-9 verification process. With a 4.5% margin of error, the reader can be 95% certain that between 26.5% and 35.5% of SHRM members would report encountering the same challenge. It is important to know that as the sample size decreases, the margin of error increases.

Key Findings

Workforce Training, Skills and Competencies

Access to human capital is paramount to an organization's success. As demographics change, there is a very real possibility that the United States could experience a competency, skill and/or worker shortage. A majority of HR professionals stated they were seeing some lack of competencies in new workers, and 8% believed that most new workers lacked competencies. Written communication, overall professionalism, verbal communication, customer service, analytical skills and business knowledge were the top areas in which respondents had seen a lack of competencies. In terms of skills and competency shortages, in recent years the media has reported a lack of science, technology, engineering and mathematics (STEM) and nursing undergraduate and graduate degrees. More than one-quarter of respondents who saw a lack of competencies indicated they had experienced a lack of qualified candidates with the required degrees in these areas. Engineering and nursing were the degrees where there were the greatest deficiencies. The industry analysis did not show a significant difference from one industry to the next in terms of which degrees were most lacking. This could mean that areas outside of the traditional industries experiencing these shortages, such as high-tech, health and manufacturing, are also starting to experience the same shortages.

One way to help overcome a lack of competencies is through a larger investment in training and education

from academia, employers and the government once organizations realize where the skills shortages are and where they might be in the future. While employers can work with the community colleges and high schools to address skills shortages, longer-term investment in K-12 education and graduate and post-graduate programs will be needed to address shortages in the STEM areas. The most common opportunities organizations were offering to train the U.S. workforce included employer-provided undergraduate educational assistance, incumbent worker job-related skills training, employer-provided graduate educational assistance, internships and development of educational curricula for current or prospective employees.

Immigration

Overall, the majority of respondents agreed that the current policies promoted national security, permitted their organizations to hire and retain the best talent to remain competitive, helped their organizations keep jobs in the United States as well as compete in the United States. However, they did not agree that the current U.S. immigration policies helped their organizations' international recruitment efforts or helped their organizations compete globally. Current U.S. immigration policies are designed to help employers respond to worker and skills shortages and compete globally at the same time as protect the nation from security threats.

Employment-Based Immigration Programs

To help overcome skills, competency and worker shortages, the United States, through the immigration process, has enabled employers to recruit and hire foreign nationals to work in the United States. Slightly more than one-quarter of respondents indicated their organizations did recruit/hire foreign nationals to work in the United States. The primary reasons for recruiting or hiring foreign nationals were the recruiters learning during the recruitment process that the candidate was a foreign national and the inability to find U.S. workers with the necessary education, competencies or skills. The most frequent challenge respondents encountered when hiring and recruiting foreign nationals was the delay caused by processing of visas/green card sponsorships, followed by the process (including the paperwork) being too complex, the length of time required to process petitions, the cap on the number of visas and green card sponsorship available, and the processing fees being too costly.

The H-1B visa, the employment-based green card sponsorship and the Treaty NAFTA (TN) programs were the most frequently used programs. HR professionals stated that the hiring process with visas took between one and six months, and two years or more with the green card sponsorship. H-1B premium processing fees were frequently used, and the same type of system for green card sponsorship would be supported. The inability or difficulty of spouses of H-1B workers to obtain employment authorization was perceived to cause a hindrance in the hiring of H-1B workers by almost one-half of the respondents.

The United States Citizenship and Immigration Services (USCIS) has created an online filing system for employment-based visa applications; however, it was not being used by many employers and was not seen as efficient as it could potentially be.

Slightly more than two-fifths of respondents indicated they believed that foreign graduates of U.S. colleges and universities should have expedited consideration for permanent residence. However, when analyzed against whether the respondents' organizations did recruit or hire foreign nationals to work in the United States, those who did recruit or hire foreign nationals believed more strongly that foreign graduates with U.S. degrees should have expedited consideration for permanent residence.

Employment Verification

HR is on the front line when organizations administer the current employment verification requirements, essentially playing the role of border agent and being held culpable for an aspect of immigration enforcement. The majority of respondents indicated that their organizations did experience challenges with the process. The most common challenges HR professionals encountered were maintaining records when presented with a document that had an expiration date, authenticity of documents presented by employees, quality of documents presented by employees, time HR spent processing the forms and number of documents employees were able to present. While authenticity and quality of documents were seen as challenges, the majority of HR professionals were not frequently concerned about the legitimacy of documents employees presented for employment verification.

Regardless of a fee, the majority of respondents would support an electronic verification system that was administratively easy to use, created efficiencies, expedited the employment verification process and created no new employer liabilities. This outcome most likely occurred as employers wanted certainty in the verification process and for the system to be fast and consistent.

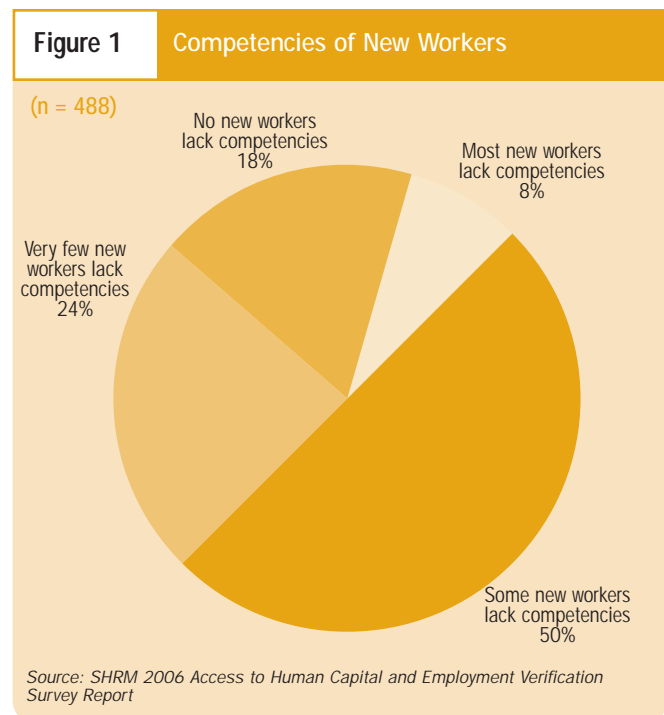
Survey Results

Workforce Skills, Competencies and Training

The Bureau of Labor Statistics (BLS) estimates that the number of workers aged 55 and older will increase by 49.3% between 2002 and 2012. Furthermore, the BLS expects the overall labor force to grow only 12% between 2002 and 2012. There are not as many younger workers coming up in the ranks behind the baby boomers, and this could lead to a labor shortage. In addition, in certain industries and geographic locations, the U.S. workforce is already experiencing skills shortages. One way to ease the potential labor and skills shortages is to ensure workers, including younger ones, have the competencies and skills necessary to move into those positions where the needs will be. The potential skills, competency and/or labor shortages may be softened by employers' efforts in workforce readiness.

As shown in Figure 1, a majority of HR professionals stated they were seeing some lack of competencies in new workers. Eight percent stated most new workers lacked competencies, 50% stated some new workers lacked competencies, and 24% stated very few new workers lacked competencies. These data are similar to the data found in SHRM's *2005 Future of the U.S. Labor Pool Survey Report*. It would be interesting to explore what HR professionals' experiences were with workers lacking competencies 10

years ago in order to definitively conclude whether the lack of competencies is growing among the workforce. However, such data are not available. Possibly due to the higher number of employees on staff, respondents in large-staff-sized organizations indicated that overall some new workers lacked competencies more frequently than respondents in medium-staff-sized organizations (see Table 1).

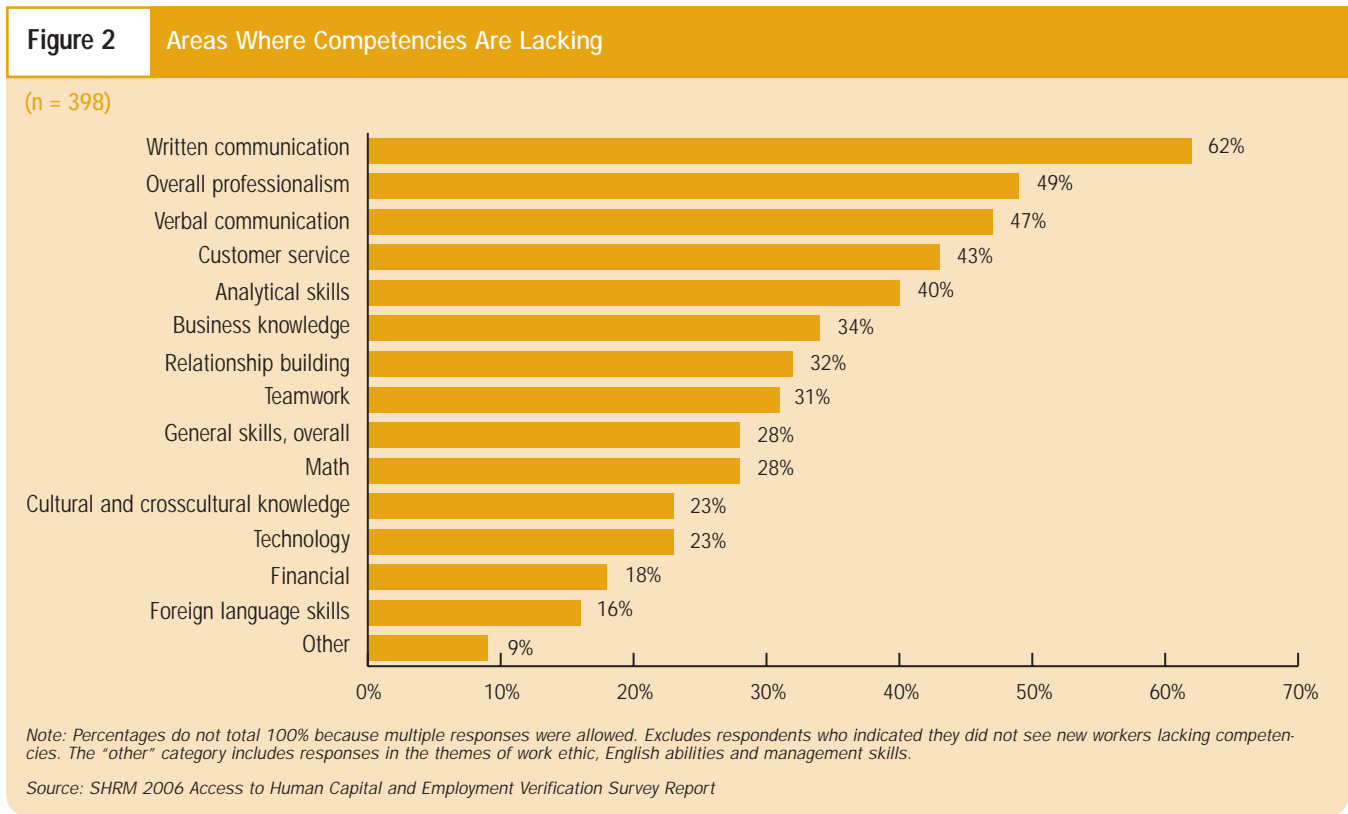


HR professionals who indicated seeing a lack of competencies were asked about specific areas where they saw the lack of competencies, excluding any instances where outside factors such as potential salary or geography affected the candidate pool. Written communication, overall professionalism, verbal communication, customer service, analytical skills and business knowledge were the top areas in which respondents had seen a lack of competencies. These data are shown in Figure 2. It is interesting to note that a similar question in SHRM's 2005

Future of the U.S. Labor Pool Survey Report produced results only one or two percentage points different than the results here. As depicted in Table 2, the health industry seemed to be experiencing a greater lack of competencies in customer service and teamwork compared with other industries. In terms of overall professionalism, the service (non-profit) and wholesale/retail trade industries were experiencing a greater lack of competencies. Table 3 demonstrates there were differences in areas where competencies were lacking by organization staff size.

Table 1	Competencies of New Workers (by Organization Staff Size)			
	Small (1-99 Employees) (n = 158)	Medium (100-499 Employees) (n = 213)	Large (500 or More Employees) (n = 111)	Comparison by Organization Staff Size
Overall some new workers lack competencies	47%	45%	61%	Large > medium
Not experiencing a lack of workplace competencies with employees entering the workforce	24%	20%	8%	Small, medium > large

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report



In recent years, the media, government entities¹ and others have reported a lack of science, technology, engineering and mathematics (STEM) and nursing undergraduate and graduate degrees. Twenty-eight percent of respondents who saw a lack of competencies indicated they had experienced a lack of qualified candidates with the required degrees in these areas. Respondents in the government sector and in nonprofit organizations (65% and 38%, respectively) reported seeing a lack of STEM degrees more frequently than those in privately owned for-profit organizations (20%). Government sector respondents also reported the lack of STEM degrees more frequently than respondents in the publicly owned for-profit organizations (65% compared with 30%). HR professionals in the health and high-tech fields were more likely than those in the manufacturing (durable

goods) and the wholesale/retail trade industries to indicate experiencing a lack of qualified candidates with STEM or nursing degrees. Respondents in the health industry also indicated seeing a lack of STEM or nursing degrees more frequently than respondents in the manufacturing (nondurable goods) industry. Respondents from large organizations were more likely to state they were experiencing a lack of qualified candidates compared with small organizations (39% compared with 18%). Similarly, small organizations less frequently required degrees in the STEM or nursing areas compared with medium and large organizations (60% compared with 43% and 33%). As depicted in Figure 3, engineering (47%) and nursing (40%) were the most frequent types of these degrees in which respondents were seeing deficiencies.²

Table 2 Areas Where Competencies Are Lacking (by Industry)

	C&M/O&G (n = 17)	ES (n = 22)	F (n = 16)	G (n = 17)	H (n = 32)	HT (n = 27)	M(D) (n = 46)	M(N) (n = 28)	S(N) (n = 20)	S(P) (n = 54)	W (n = 39)	Comparison by Industry
Overall professionalism	53%	45%	44%	59%	47%	44%	20%	21%	75%	50%	62%	S(N) > M(D), M(N) W > M(D)
Customer service	35%	59%	44%	47%	75%	22%	24%	18%	50%	39%	49%	H > HT, M(D), M(N)
Teamwork	18%	45%	25%	41%	50%	4%	41%	32%	40%	19%	28%	H > HT

C&M/O&G = construction and mining/oil and gas
 ES = educational services
 F = finance
 G = government

H = health
 HT = high-tech
 M(D) = manufacturing (durable goods)
 M(N) = manufacturing (nondurable goods)

S(N) = services (nonprofit)
 S(P) = services (profit)
 W = wholesale/retail trade

Note: Excludes respondents who indicated they did not see new workers lacking competencies.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Table 3 Areas Where Competencies Are Lacking (by Organization Staff Size)

	Small (1-99 Employees) (n = 120)	Medium (100-499 Employees) (n = 171)	Large (500 or More Employees) (n = 101)	Comparison by Organization Staff Size
Teamwork	23%	36%	34%	Medium > small
Cultural and crosscultural knowledge	15%	22%	33%	Large > small
Foreign language skills	13%	12%	26%	Large > small, medium

Note: Excludes respondents who indicated they did not see new workers lacking competencies.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

¹ Reports prepared by such entities as the National Academy of Science and the Department Education have confirmed the lack of degrees in the STEM areas.

² It is important to note that not all of the respondents were looking for employees with each of these degrees.

As shown in Table 4, nonprofit organizations were not seeing as great of a lack of engineering degrees, but were experiencing a lack of nursing degrees the most. This may be partially due to the fact that a lot of health facilities are nonprofit. However, the industry analysis did not show a significant difference among

industries, and this could mean that areas outside of the traditional industries experiencing these shortages were also starting to feel the same shortages.

One way to help overcome a lack of skills and competencies is through a larger investment in training

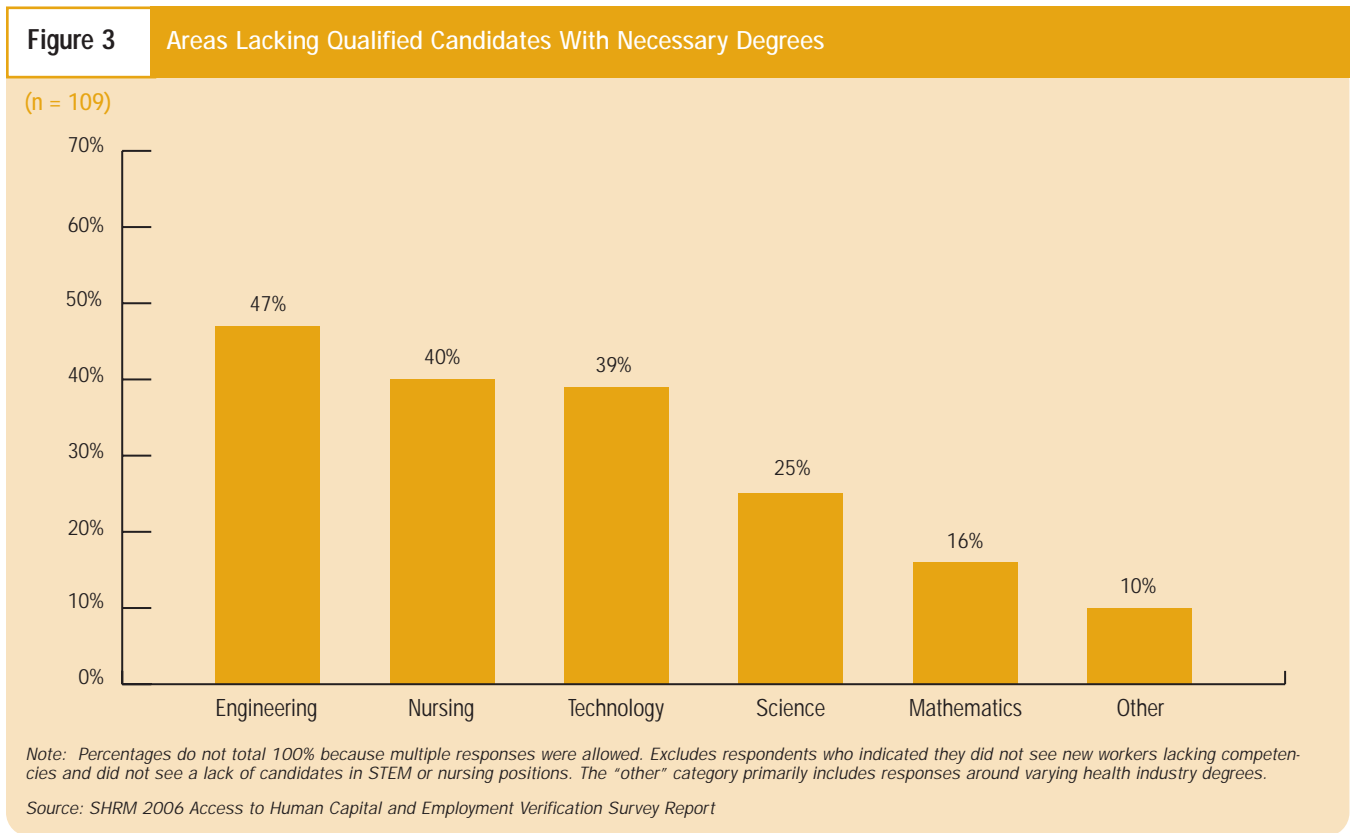


Table 4 Areas Lacking Qualified Candidates With Necessary Degrees (by Organization Type)

	Publicly Owned For Profit (n = 29)	Privately Owned For Profit (n = 40)	Nonprofit (n = 23)	Government (n = 17)	Comparison by Organization Type
Engineering	72%	50%	13%	41%	Publicly owned for profit, privately owned for profit > nonprofit
Nursing	7%	30%	87%	59%	Nonprofit, government > publicly owned for profit Nonprofit > privately owned for profit

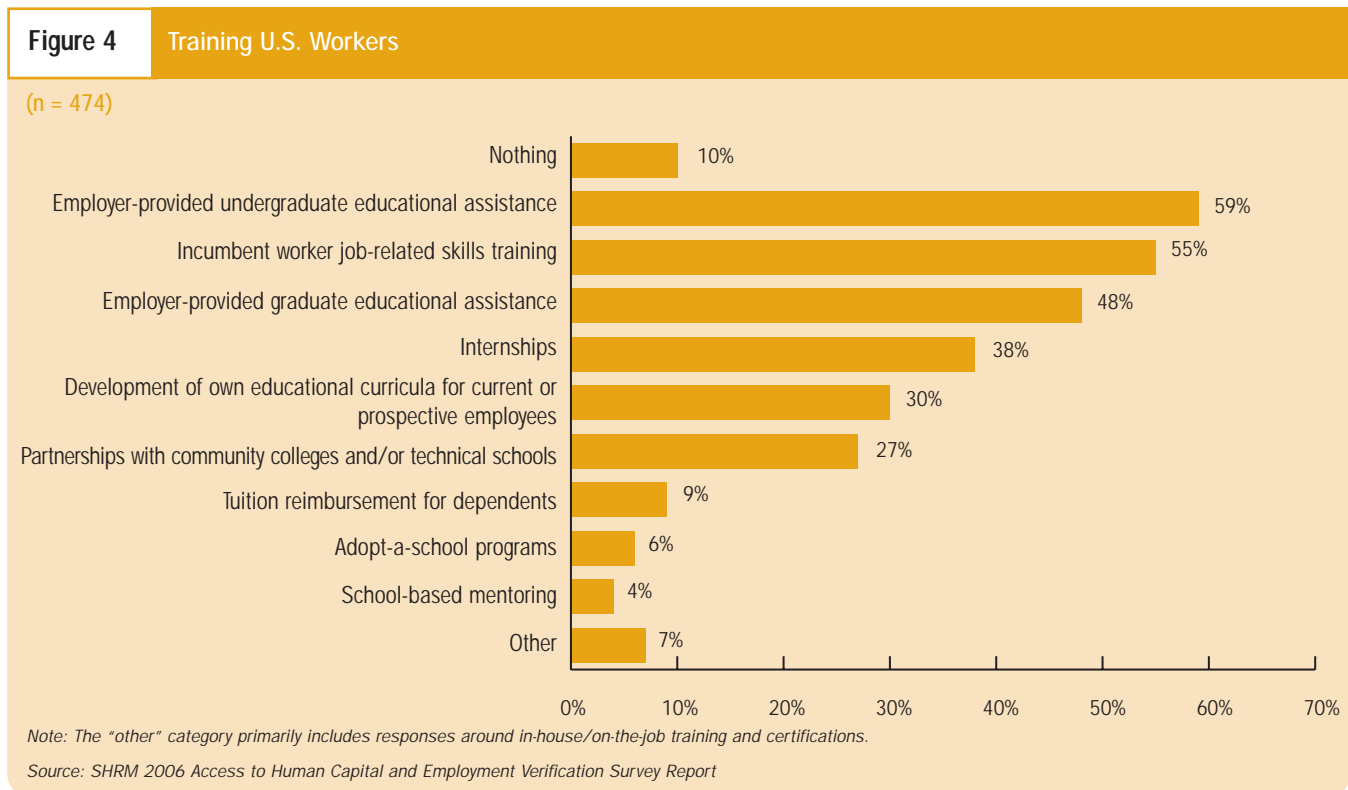
Note: Excludes respondents who indicated they did not see new workers lacking competencies, did not require STEM or nursing degrees or did not see a lack of these degrees.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

and education from academia, employers and the government once it is clear where the skills and competency shortages are and where they might be in the future. It should be noted, however, that predicting skills shortages is not something that can be done with full certainty. While employers can work with the community colleges and high schools to address skills shortages, longer-term involvement in K-12 education and graduate and postgraduate programs will be needed to address shortages in the STEM areas. As shown in Figure 4, organizations offered a number of training and educational opportunities to U.S. workers. The most common opportunities included employer-provided undergraduate educational assistance³ (59%), incumbent worker job-related skills training (55%), employer-provided graduate educational assistance (48%), internships (38%)

and development of educational curricula for current or prospective employees (30%). Ten percent of respondents indicated their organizations did not provide any training to U.S. workers. Employers did appear to be taking efforts to improve the skills and competencies of workers very seriously, especially considering that 30% were developing educational curricula for current or prospective employees.

As shown in Table 5, privately owned for-profit organizations less frequently trained U.S. workers by participating in adopt-a-school programs or participating in partnerships with community colleges and/or technical schools. They also less frequently provided educational assistance, tuition reimbursement or job-related skills training. However, it is important to note that in most cases, the respondents who indicated their organiza-



³ IRC Section 127: Employer-Provided Educational Assistance: If an employer provides educational assistance as a benefit, the employee can exclude up to \$5,250 of those benefits from gross income each year.

IRC Section 132: Fringe Benefit Programs: Even if an employer does not satisfy the Code Section 127 requirements, an employer can still provide uncapped nontaxable educational assistance benefits to its employees if those benefits satisfy the requirements for a working condition fringe benefit under Code Section 132. A "working condition fringe benefit" under Code Section 132 is an employer-provided benefit that the employee would be permitted to deduct on the employee's individual income tax return if the employee paid the amount. Educational expenses are a deductible expense for an employee if the education is directly related to the employee's current job responsibilities.

tions trained U.S. workers in these ways made up more than half of the respondents answering the question.

Organizations in educational services offered undergraduate educational assistance and tuition reimbursement more frequently than organizations in the manufacturing (durable goods) or the service (profit)

industries. These differences could reflect a variety of scenarios. For example, higher education institutions enjoy different tax advantages in this area than private employers and their mission is to educate. Those in the health industry more frequently partner with community colleges and/or technical schools. These data are depicted in Table 6.

	Publicly Owned For Profit (n = 111)	Privately Owned For Profit (n = 249)	Nonprofit (n = 80)	Government (n = 32)	Comparison by Organization Type
Employer-provided undergraduate educational assistance	70%	49%	65%	78%	Publicly owned for profit, government > privately owned for profit
Incumbent worker job-related skills training	55%	52%	56%	81%	Government > publicly and privately owned for profits
Employer-provided graduate educational assistance	65%	38%	59%	50%	Publicly owned for profit, nonprofit > privately owned for profit
Partnerships with community colleges and/or technical schools	31%	20%	38%	38%	Nonprofit > privately owned for profit
Tuition reimbursement for dependents	6%	6%	19%	16%	Nonprofit > publicly and privately owned for profits
Adopt-a-school programs	13%	2%	9%	6%	Publicly owned for profit > privately owned for profit

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

	C&M/O&G (n = 20)	ES (n = 30)	F (n = 20)	G (n = 20)	H (n = 35)	HT (n = 38)	M(D) (n = 53)	M(N) (n = 35)	S(N) (n = 23)	S(P) (n = 64)	W (n = 41)	Comparison by Industry
Employer-provided undergraduate educational assistance	50%	77%	80%	70%	9%	68%	70%	60%	61%	36%	51%	ES, M(D) > S(P)
Partnerships with community colleges and/or technical schools	35%	30%	20%	35%	57%	11%	32%	37%	26%	23%	10%	H > HT, W
Tuition reimbursement for dependents	5%	53%	5%	0%	17%	3%	4%	14%	0%	3%	5%	ES > C&M/O&G, F, HT, M(D), S(P), W

C&M/O&G = construction and mining/oil and gas
ES = educational services
F = finance
G = government
H = health
HT = high-tech
M(D) = manufacturing (durable goods)
M(N) = manufacturing (nondurable goods)
S(N) = services (nonprofit)
S(P) = services (profit)
W = wholesale/retail trade

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

As depicted in Table 7, larger organizations were more likely to offer different types of training compared with smaller organizations.

Immigration

In a global economy, organizations have a need to hire the best and the brightest employees. One way to do this may be to recruit the world's workers, not just workers in the United States. However, immigration is a controversial topic of discussion with varying levels of concern about national security and skills and worker shortages. All respondents were asked to share their perceptions of the U.S. immigration policies. Respondents' perceptions may be based on both illegal and legal immigration, depending on their knowledge of the legal immigration process, experience in working with immigrants, etc. As shown in Figure 5, HR professionals did not agree that the current U.S. immigration policies helped their organizations' international recruitment efforts or helped their organizations compete globally. However, the majority of respondents agreed that the current policies helped promote national security, permitted their organizations to hire and retain the best talent to remain competitive, helped their organizations keep jobs in the United States and helped

their organizations compete domestically. Perceptions of current immigration policies did not vary by industry or by recruitment or hiring of foreign nationals in respondents' organizations.

Employment-Based Immigration Programs

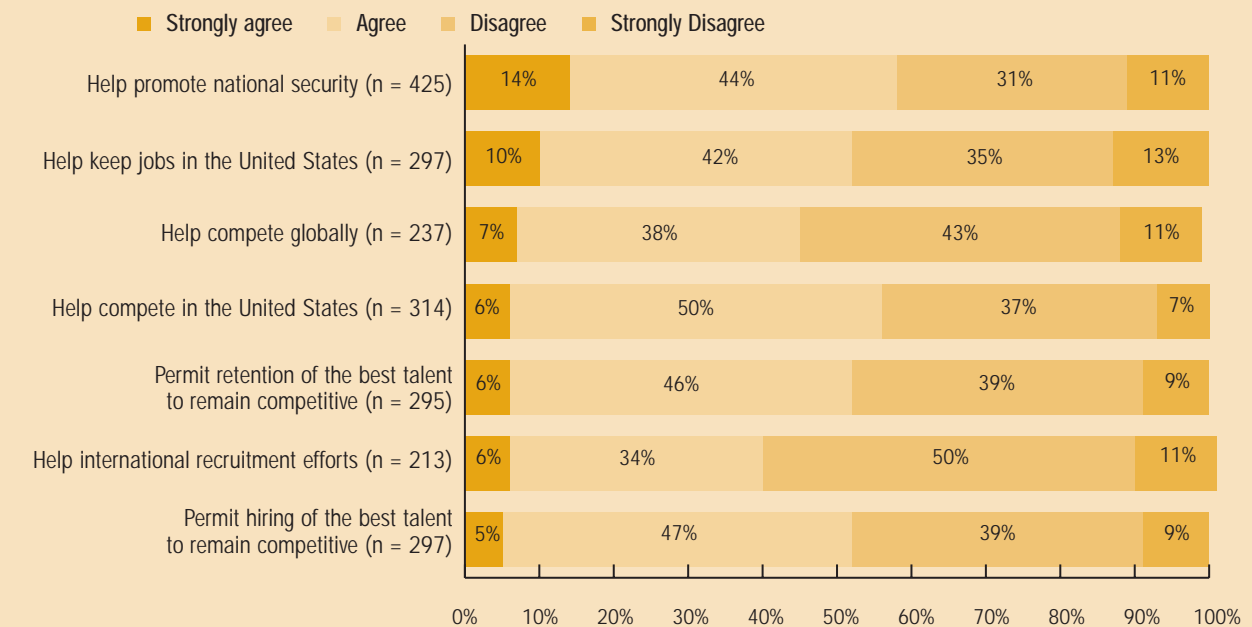
To help overcome skills, competencies and worker shortages, the United States has enacted programs that enable employers to recruit and hire foreign nationals to work in the United States. Slightly more than one-quarter (28%) of respondents indicated their organizations did recruit/hire foreign nationals to work in the United States. In contrast to what the media portrays as a wide-spread practice of hiring foreign nationals instead of qualified U.S. workers, 28% represents a rather small segment of organizations. Respondents in publicly owned for-profit organizations indicated their organizations recruited or hired foreign nationals to work in the United States more often than respondents in privately owned for-profit organizations (41% compared with 23%). Respondents in organizations with large staff sizes more frequently indicated their organizations recruited or hired foreign nationals to work in the United States compared with respondents in small and medium organizations (45% compared with 18% and 26%). HR professionals in the

Table 7 Training U.S. Workers (by Organization Staff Size)

	Small (1-99 Employees) (n = 154)	Medium (100-499 Employees) (n = 208)	Large (500 or More Employees) (n = 107)	Comparison by Organization Staff Size
Nothing	17%	8%	5%	Small > medium, large
Employer-provided undergraduate educational assistance	44%	60%	77%	Large > small, medium Medium > small
Employer-provided graduate educational assistance	34%	49%	68%	Large > small, medium Medium > small
Internships	25%	36%	58%	Large > small, medium
Development of own educational curricula for current or prospective employees	22%	28%	42%	Large > small, medium
Partnerships with community colleges and/or technical schools	13%	28%	42%	Large > small, medium Medium > small
Tuition reimbursement for dependents	4%	10%	14%	Large > small
Adopt-a-school programs	2%	4%	14%	Large > small, medium

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

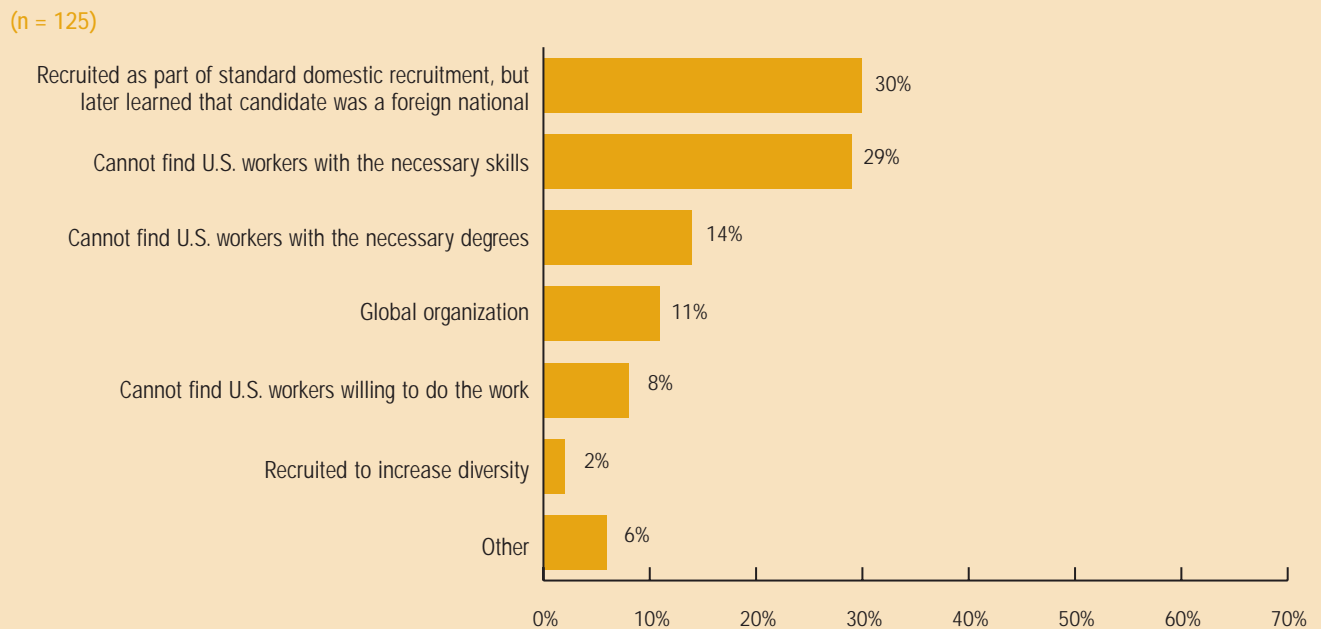
Figure 5 Views on Current U.S. Immigration Policies



Note: Data sorted in descending order by percentage of respondents who indicated "strongly agree." Excludes respondents who indicated "not applicable," which accounts for the highly variable sample sizes for each statement.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Figure 6 Primary Reason for Recruiting/Hiring Foreign Nationals



Note: Excludes respondents who indicated their organizations did not recruit/hire foreign nationals. There were no apparent themes in the "other" category.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

educational service industry indicated hiring foreign nationals more frequently than did HR professionals in government and service (for profit) industries. The results reported in this section are based only on the HR professionals who reported their organizations did recruit or hire foreign nationals to work in the United States.⁴

Thirty percent of respondents indicated their organizations recruited or hired foreign nationals because they learned only during the recruitment process that the candidate was a foreign national. This reflects that organizations are working to recruit the most qualified employees and that sometimes those employees are not U.S. workers. It is important to note that foreign nationals who are working in the United States may have been recruited from either colleges or universities or elsewhere in the United States. This finding may suggest that U.S. organizations are not knowingly looking to hire foreign nationals at the expense of U.S. workers.

Twenty-nine percent of respondents stated their primary reason for recruiting foreign nationals was that they could not find U.S. workers with the necessary competencies or skills, 14% could not find U.S. workers with the necessary degrees, and 8% could not find U.S. workers willing to do the work. These data are depicted in Figure 6. As shown in Table 8, respondents in the government sector were more likely to indicate the reason for recruiting or hiring foreign nationals was because they could not find

U.S. workers with the necessary degrees compared with respondents in privately owned for-profit organizations. A possible explanation for this difference may be that public colleges and universities use H-1B workers in academic positions as faculty or researchers, as do public scientific entities.

Figure 7 depicts the challenges organizations encountered with recruiting and hiring foreign nationals. The most frequent challenge respondents encountered was the delay caused by processing of visas/green card sponsorships (64%), followed by the process (including the paperwork) being too complex (55%), the length of time required to process petitions (52%), the cap on the number of visas and green card sponsorships available (43%) and the processing fees being too costly (42%). Eleven percent of respondents indicated they did not experience any challenges.

As shown in Table 9, the government sector had a more difficult time meeting specific labor conditions to qualify employees for visas than did nonprofit organizations. Publicly owned for-profit organizations found the visa categories' eligibility requirements to be too restrictive more frequently than respondents at privately owned for-profit organizations.

Respondents were asked about their organizations' use of several types of worker visas. Table 10 depicts current and future use of visas and employment-based green card sponsorships in the recruiting and hiring of foreign nationals. Seventy percent of respon-

Table 8 Primary Reason for Recruiting/Hiring Foreign Nationals (by Organization Type)

	Publicly Owned For Profit (n = 43)	Privately Owned For Profit (n = 57)	Nonprofit (n = 21)	Government (n = 7)	Comparison by Organization Type
Cannot find U.S. workers with the necessary associate, undergraduate or graduate degrees	5%	9%	19%	43%	Government sector > privately owned for profit

Note: Excludes respondents who indicated their organizations did not recruit/hire foreign nationals.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

⁴ Only 28% of respondents to the survey indicated that their organizations did recruit or hire foreign nationals to work in the United States. This represents a total of 134 HR professionals.

dents indicated their organizations had recruited or hired workers using H-1B visas and planned to continue to do so, followed by sponsoring workers for employment-based green cards (49%), Treaty NAFTA (TN) visas (33%), L visas (29%) and J visas (25%).⁵ It is not too surprising that H-1B visas are the most frequently used type of visa, given that the applications for H-1B visas are exceeded so quickly. Immigration

opponents believe organizations using H-1B visas are using the program to recruit cheaper labor. However, those who support the H-1B visa program believe that the statutorily set artificial cap on the number of H-1B visas is not market-based (the 65,000 available visas for 2006 were filled in August of 2005), which makes hiring the best and the brightest individuals more difficult. Almost half of respondents indicated that they



Table 9 Challenges Encountered When Recruiting/Hiring Foreign Nationals (by Organization Type)

	Publicly Owned For Profit (n = 43)	Privately Owned For Profit (n = 58)	Nonprofit (n = 21)	Government (n = 7)	Comparison by Organization Type
Organization's ability to meet specific labor conditions to qualify employees for visas	26%	16%	10%	57%	Government > nonprofit
Visa categories' eligibility requirements are too restrictive	30%	9%	10%	14%	Publicly owned for profit > privately owned for profit

Note: Excludes respondents who indicated their organizations did not recruit/hire foreign nationals.

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

⁵ Descriptions of different types of visas are provided in Table 10.

had recruited or hired foreign workers by sponsoring them for an employment-based green card and planned to continue doing so, which helps support the argument for these very qualified individuals becoming permanent residents to continue contributing to the U.S. economy.

Outside of sponsoring workers for employment-based green cards, which respondents reported taking more than two years to obtain, the majority of respondents indicated that it took between one to six months to obtain visas. These data are depicted in Table 11. One to six months may not seem long,

Table 10 Visa and Employment-Based Green Card Use

	Have Recruited/Hired and Plan to Continue Recruiting/Hiring	Have Recruited/Hired But Do Not Plan to Continue Recruiting/Hiring	Have Not Recruited/Hired But Plan to Recruit/Hire	Have Not Recruited/Hired and Do Not Plan to Do So
H-1B visas (for highly skilled professional workers) (n = 125)	70%	15%	5%	10%
Sponsoring workers for an employment-based green card (n = 106)	49%	15%	3%	33%
Treaty NAFTA (TN) visas (for Mexican and Canadian businesspeople) (n = 104)	33%	7%	8%	53%
L visas (intra-company transfers) (n = 93)	29%	5%	4%	61%
J visas (intra-company transfers) (n = 97)	25%	5%	4%	66%
B visas (business visas) (n = 96)	20%	3%	7%	70%
H-2B visas (for short-term or seasonal workers) (n = 91)	11%	0%	3%	86%
O visas (outstanding workers) (n = 92)	8%	2%	3%	87%
H-2A visas (for agricultural workers) (n = 91)	3%	1%	3%	92%

Note: Excludes respondents who indicated their organizations did not recruit/hire foreign nationals. Percentages are row percentages.
Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Table 11 Time It Takes to Obtain Visa or Employment-Based Green Card

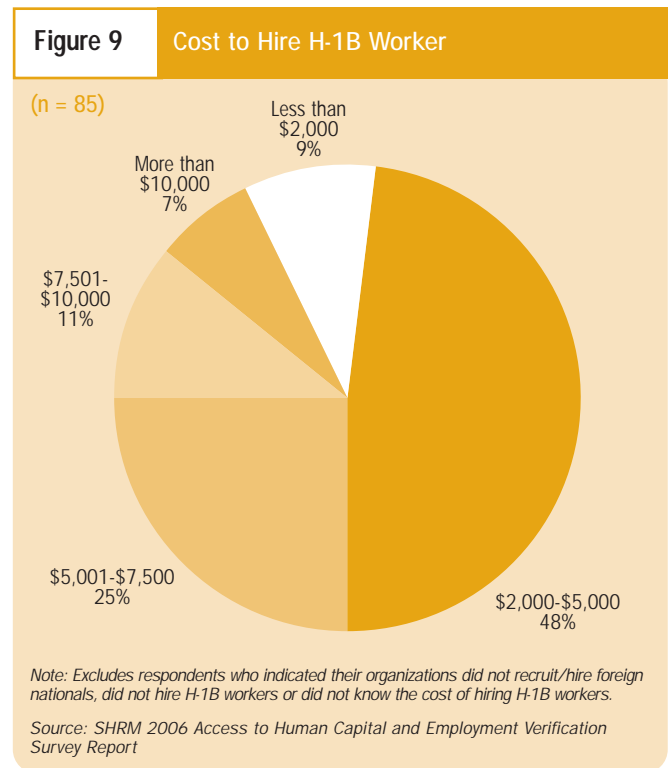
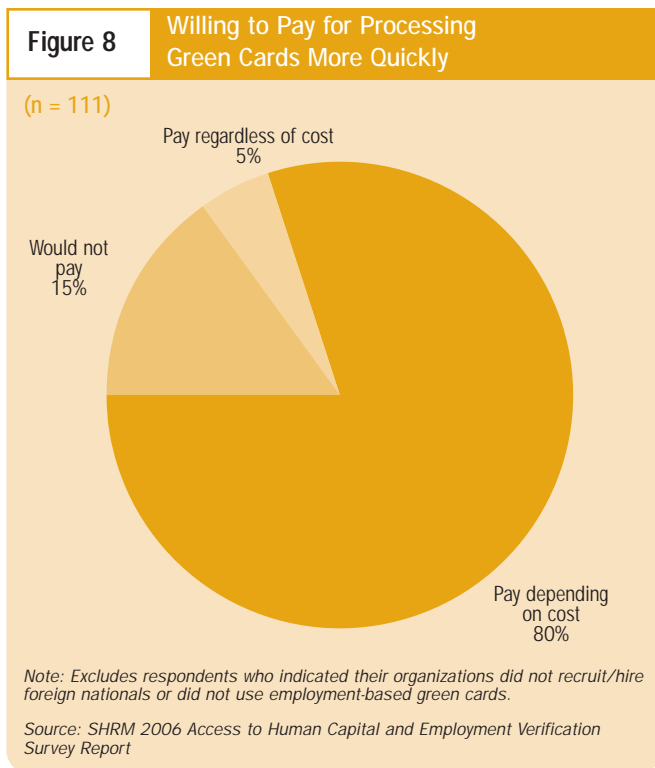
	1-6 Months	7-12 Months	13-18 Months	19-24 Months	More Than Two Years
H-1B visas (for highly skilled professional workers) (n = 83)	61%	28%	5%	2%	4%
Sponsoring workers for an employment-based green card (n = 48)	8%	19%	10%	19%	44%
Treaty NAFTA (TN) visas (for Mexican and Canadian businesspeople) (n = 32)	91%	6%	3%	0%	0%
L visas (intra-company transfers) (n = 25)	92%	4%	4%	0%	0%
J visas (intra-company transfers) (n = 18)	94%	6%	0%	0%	0%
B visas (business visas) (n = 18)	61%	33%	6%	0%	0%
H-2B visas (for short-term or seasonal workers) (n = 6)	83%	17%	0%	0%	0%
O visas (outstanding workers) (n = 6)	83%	17%	0%	0%	0%
H-2A visas (for agricultural workers) (n = 1)	100%	0%	0%	0%	0%

Note: Excludes respondents who indicated their organizations did not recruit/hire foreign nationals, did not use the visas or employment-based green cards and did not know how long it took to obtain them. Percentages are row percentages. It is important to note the small sample sizes within this table; readers are advised to use caution when generalizing these percentages.
Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

but for an organization that needs to continue developing products to take to market, it is strategically disadvantageous to wait to hire the most qualified employees. It is possible that due to the length of time it takes to obtain an employment-based green card, employers may be turning toward using H-1B visas to continue to employ the individuals until their employees are able to have their green card applications approved.

HR professionals stated that if their organizations used H-1B visas, they used the premium processing for an additional \$1,000 fee. The fee provides for an expedited process which may prove very beneficial to organizations that are in great need to hire the most qualified employees in an expedited fashion. As shown in Figure 8, respondents' organizations would be willing to pay a premium processing fee if employment-based green cards would be approved more quickly, depending on cost (80%). Public policy decision makers are looking at ways in which the process can be expedited overall, including paying additional fees.

The cost to hire an H-1B worker, considering all filing fees, attorney fees and other expenses, but excluding any relocation costs, varied by respondent. Forty-eight percent of respondents stated the cost was between \$2,000 and \$5,000. These data are depicted in Figure 9. Respondents in organizations with small staff sizes stated the cost to hire an H-1B worker was between \$5,001 and \$7,500 more frequently than respondents in large organizations (37% compared with 6%). The cost to sponsor an employee for a green card also varied with no one range of cost standing out; however, Figure 10 does show that the majority of respondents indicated the sponsorship cost between \$2,000 and \$10,000. These data reaffirm the large expense organizations incur while trying to recruit and hire the top talent in their respective fields. These findings soften the refute of immigration opponents' views that employment-based immigration programs are a way to bring in cheaper labor, especially given the length of time it takes to obtain visas and the costs involved with obtaining them (research



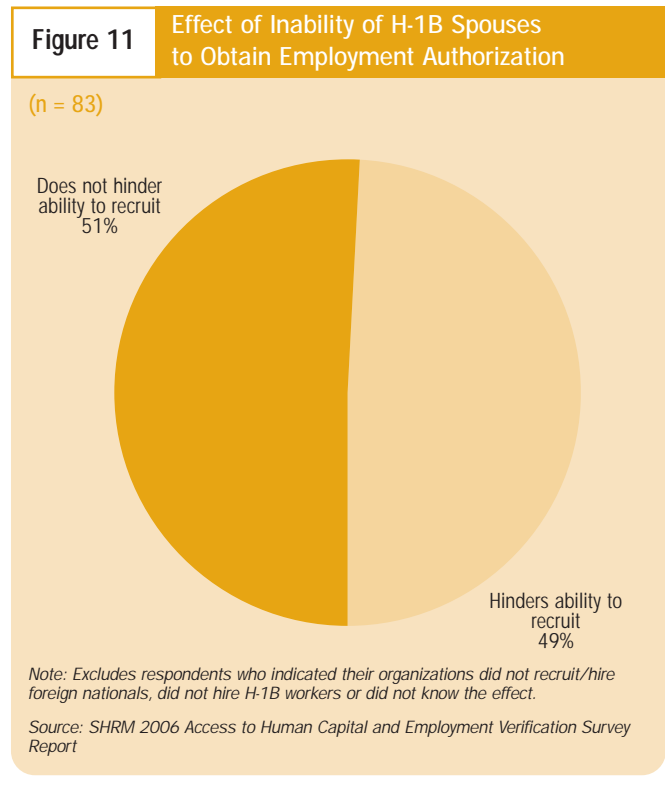
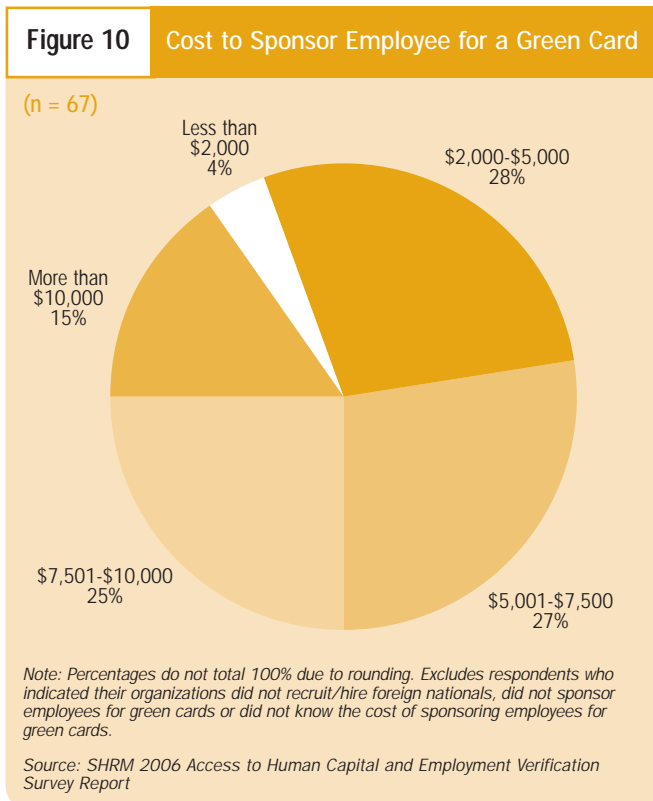
demonstrates that the average cost per hire is over \$5,000).⁶

Almost one-half of respondents (49%) whose organizations hired H-1B workers believed the inability of the spouses of H-1B workers to obtain employment authorization did hinder their ability to recruit and retain workers. These data are depicted in Figure 11. There are two schools of thought that may account for some of the explanation of why this statistic is split right down the middle. On one hand, a worker coming to the United States may bring not only his or her spouse but their family as well. The worker is not likely to have relatives in the United States, and therefore, the spouse may stay at home raising the family. On the other hand, demographics do point to more and more families becoming dual-income families and both parties being career-oriented. When an H-1B worker is offered a job, a consideration for his or her family is whether the

spouse's career could suffer due to the inability to obtain employment authorization. It is also possible that to make ends meet, a family would need a dual income.

As shown in Figure 12, the majority of HR professionals (82%) whose organizations hired and recruited foreign nationals planned to continue using the U.S. visa program to fill permanent positions within their organizations.

Figure 13 depicts that almost three-quarters of HR professionals (74%) have not filed employment-based visa applications using the United States Citizenship and Immigration Services' (USCIS) online filing. These statistics are surprising since the USCIS online filing process was created to help employers make the filing process easier and more efficient. However, for those who have used the online filing, most have found the process to be efficient (17%



⁶ Smith, N. (2005, August). SHRM® human capital measure of the month: Cost per hire. Retrieved from www.shrm.org.

stated extremely efficient and 53% stated somewhat efficient). These data are depicted in Figure 14.

Slightly more than two-fifths of respondents indicated they believed that foreign graduates of U.S. colleges and universities should have expedited consideration for permanent residence. These data are depicted in Figure 15. However, when analyzed against respondents' current experience with recruiting or hiring foreign nationals to work in the United States, those who indicated they did recruit or hire foreign nationals believed more strongly that foreign graduates of U.S. colleges should have expedited permanent residence consideration compared with respondents whose organizations did not recruit or hire foreign nationals (52% compared with 36%). When analyzed by industry, no differences were found.

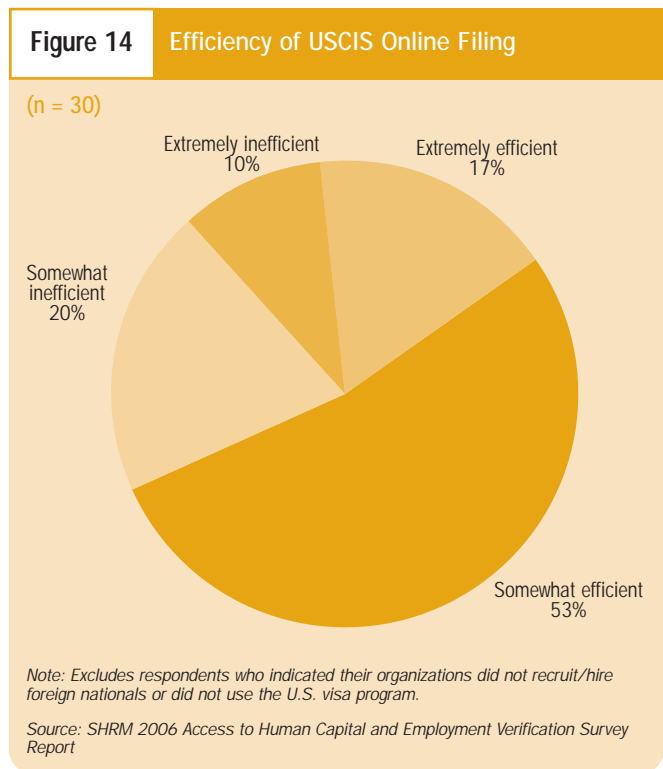
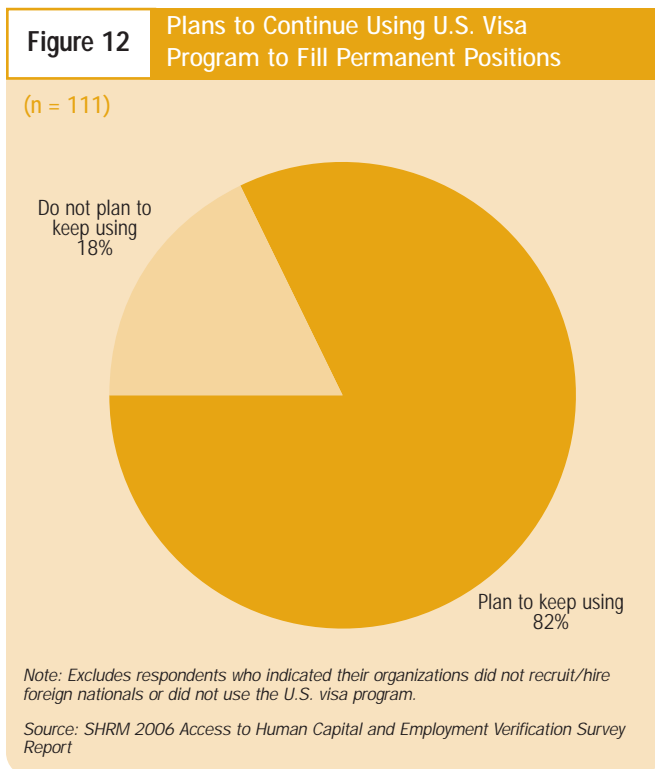
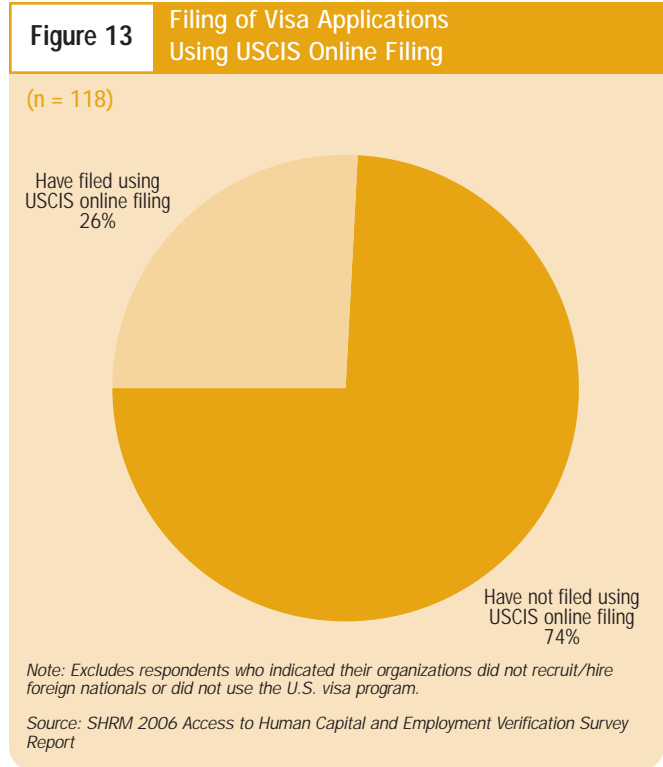
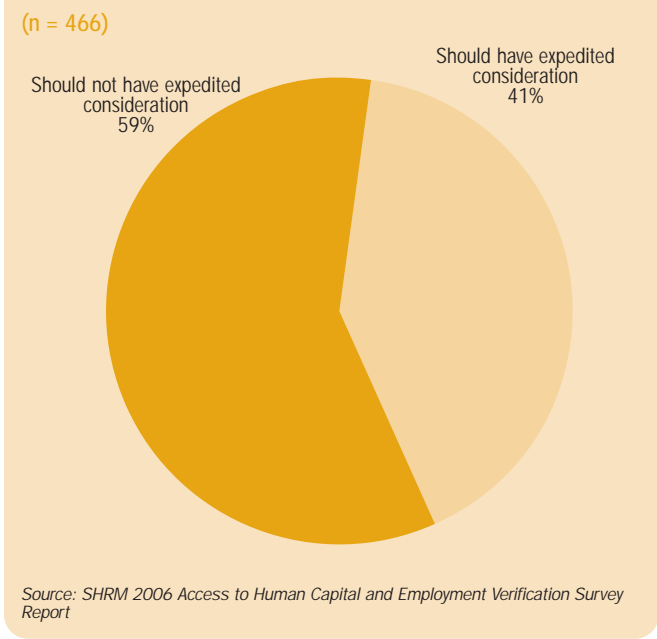


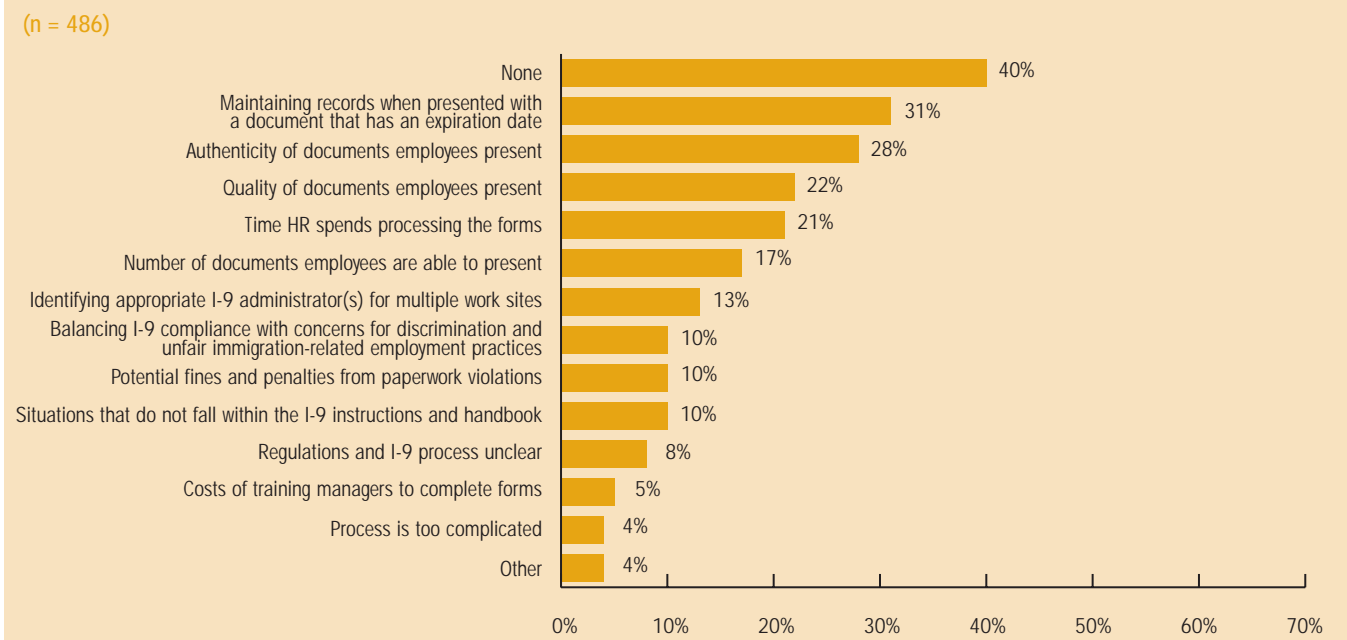
Figure 15 Expedited Consideration for Permanent Residence for Foreign Graduates of U.S. Colleges and Universities



Employment Verification

Illegal immigration has been a concern almost since the earliest history of the nation; however, apprehension over illegal immigration as a national security concern has increased since the events of September 11th, 2001. One of the biggest draws for immigrants to come to the United States is the job opportunities. To help enforce immigration laws, the United States has laws in place that require employers to verify the work eligibility of employees. When an employee begins working for an organization, he or she is required to produce documents that prove the employee is eligible to work in the United States. The employer is obligated to review these documents and complete an I-9 form. There are fines for employers that knowingly hire individuals not authorized to work in the United States as well as penalties for employers for inadvertent paperwork violations. Therefore, for employers to help with immigration enforcement, constant training and vigilance are required.

Figure 16 Challenges Encountered With I-9 Verification Process



HR oversees the administration of the current employment verification law requirements, essentially playing the role of border agent and being held culpable for an aspect of immigration enforcement. Respondents were asked to indicate the challenges they experienced in the employment verification process. Overall, 60% of respondents reported experiencing these challenges. The most common challenges HR professionals encountered were maintaining records when presented with a document that had an expiration date (31%), authenticity of documents presented by employees (28%), quality of documents presented by employees (22%), time HR spent processing the forms (21%) and number of documents employees were able to present (17%). These data are depicted in Figure 16.

As shown in Table 12, publicly owned for-profit organizations encountered the challenges of authenticity of documents and identifying appropriate administrators for multiple work sites more frequently than

other organization types. Publicly owned for-profit organizations may be larger in size, more decentralized and more often located throughout the United States than other types of organizations, and this may explain their greater challenges dealing with multiple work sites and document authenticity.

Respondents in the manufacturing (nondurable goods) industry indicated challenges with the authenticity of documents presented in the employment verification process more frequently than respondents in the educational service and manufacturing (durable goods) industries. Respondents in the wholesale/retail trade industry also encountered more challenges with document authenticity compared with those in the manufacturing (durable goods) industry. These data are depicted in Table 13.

As shown in Table 14, respondents in large organizations reported having challenges in the I-9 verifica-

Table 12 Challenges Encountered With I-9 Verification Process (by Organization Type)					
	Publicly Owned For Profit (n = 112)	Privately Owned For Profit (n = 258)	Nonprofit (n = 80)	Government (n = 33)	Comparison by Organization Type
Authenticity of documents presented by employees	36%	28%	16%	18%	Publicly owned for profit > nonprofit
Identifying appropriate I-9 administrator(s) for multiple work sites	21%	10%	9%	6%	Publicly owned for profit > privately owned for profit

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Table 13 Challenges Encountered With I-9 Verification Process (by Industry)												
	C&M/O&G (n = 21)	ES (n = 31)	F (n = 20)	G (n = 21)	H (n = 35)	HT (n = 40)	M(D) (n = 56)	M(N) (n = 35)	S(N) (n = 23)	S(P) (n = 66)	W (n = 42)	Comparison by Industry
Authenticity of documents presented by employees	29%	13%	20%	24%	34%	18%	16%	54%	13%	33%	52%	M(N) > ES, M(D) > W > M(D)

C&M/O&G = construction and mining/oil and gas
 ES = educational services
 F = finance
 G = government
 H = health
 HT = high-tech
 M(D) = manufacturing (durable goods)
 M(N) = manufacturing (nondurable goods)
 S(N) = services (nonprofit)
 S(P) = services (profit)
 W = wholesale/retail trade

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

tion process more frequently than respondents in smaller organizations. One possible explanation for the difference in frequency is quite simply because larger organizations have to deal with the verification process more frequently than those with small staff sizes. Another possible reason may be that the verification process in large organizations may not be centralized. There may be several people responsible for the process at several work sites, and this may cause additional complications.

As shown in Figure 17, the majority of HR professionals were not frequently concerned about the legitimacy of documents employees presented for employment verification. Respondents in publicly owned for-profit organizations and those in organizations with larger staff sizes expressed less frequent concern over the legitimacy of employment verification documents that employees presented in the I-9 verification process. These data are depicted in Tables 15 and 16.

Almost all respondents (92%) stated they would support the use of an electronic employment verification system if it was administratively easy to use, created efficiencies, expedited the process and created no new

employer liabilities. The level of support decreased to 54% but still remained for the majority of respondents when asked about the same type of system where their organizations would purchase the equipment for

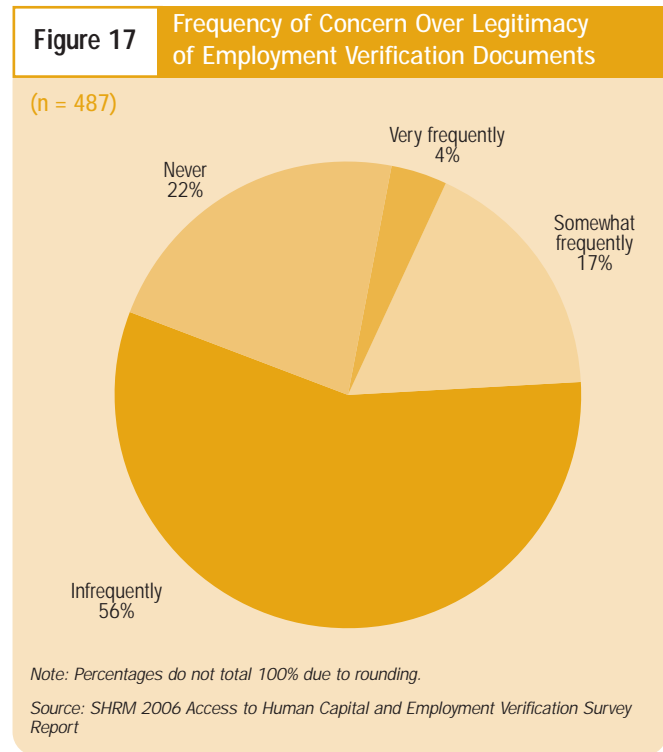


Table 14 Challenges Encountered With I-9 Verification Process (by Organization Staff Size)

	Small (1-99 Employees) (n = 158)	Medium (100-499 Employees) (n = 211)	Large (500 or More Employees) (n = 111)	Comparison by Organization Staff Size
No challenges encountered	53%	39%	23%	Small > medium, large Medium > large
Authenticity of documents presented by employees	19%	26%	43%	Large > small, medium
Quality of documents employees present	15%	23%	28%	Large > small
Time HR spends processing the forms	13%	20%	32%	Large > small
Identifying appropriate I-9 administrator(s) for multiple work sites	11%	9%	21%	Large > medium
Situations that do not fall within the I-9 instructions and handbook	4%	10%	18%	Large > small
Potential fines and penalties from paperwork violations	6%	9%	17%	Large > small
Balancing I-9 compliance with concerns for discrimination and unfair immigration-related employment practices	7%	7%	19%	Large > small, medium
Costs of training managers to complete forms	2%	5%	10%	Large > small
Process is too complicated	1%	4%	10%	Large > small

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

the process at a nominal fee. Regardless of a fee, the majority of respondents would support an electronic verification system most likely because they want certainty in the verification process and want the process to be fast and consistent. These data are depicted in Figure 18 and Figure 19.

As shown in Tables 17 and 18, privately owned for-profit organizations and those with small staff sizes were more likely to lend support to the idea of an electronic employment verification system where the organization would purchase equipment at a nominal fee. Small organizations may support a system that would charge a nominal fee more frequently because they have less of an approval process.

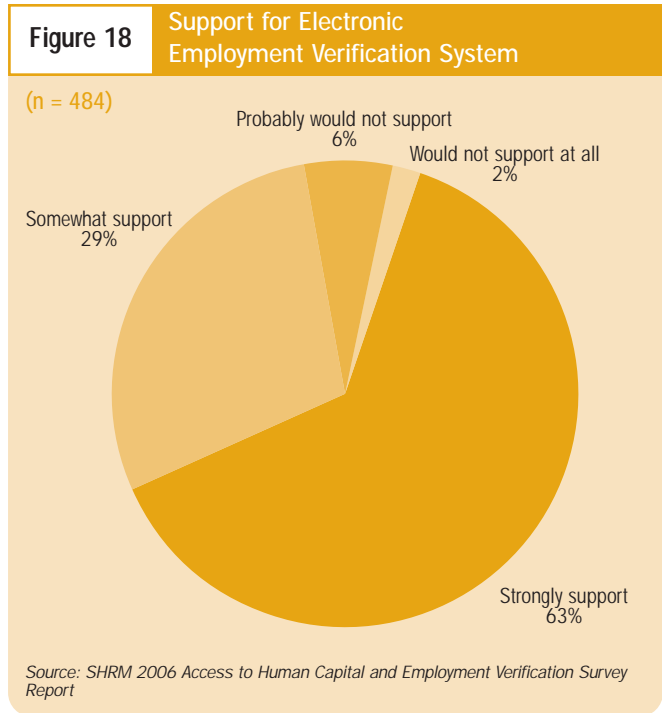


Table 15 Frequency of Concern Over Legitimacy of Employment Verification Documents (by Organization Type)

	Publicly Owned For Profit (n = 112)	Privately Owned For Profit (n = 258)	Nonprofit (n = 81)	Government (n = 33)	Comparison by Organization Type
Average frequency of concern about legitimacy of documents presented by employees for employment verification	2.76	2.99	3.11	3.15	Publicly owned for profit < privately owned for profit, nonprofit, government

Note: Averages are based on a scale where 1 = "never" and 4 = "very frequently" (higher averages indicate more frequent concern).

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

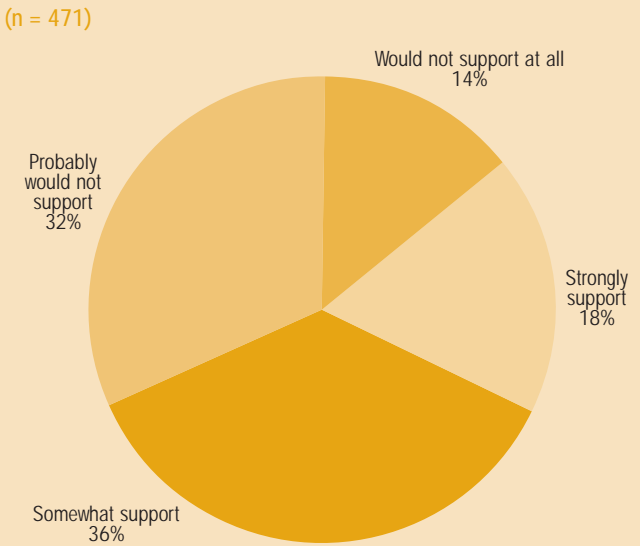
Table 16 Frequency of Concern Over Legitimacy of Employment Verification Documents (by Organization Staff Size)

	Small (1-99 Employees) (n = 158)	Medium (100-499 Employees) (n = 212)	Large (500 or More Employees) (n = 111)	Comparison by Organization Staff Size
Average frequency of concern about legitimacy of documents presented by employees for employment verification	3.16	2.95	2.70	Small > medium, large Medium > large

Note: Averages are based on a scale where 1 = "never" and 4 = "very frequently" (higher averages indicate more frequent concern).

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Figure 19 Support for Electronic Employment Verification System Where Organization Purchases Equipment



Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Table 17 Support for Electronic Employment Verification System Where Organization Purchases Equipment (by Organization Type)

	Publicly Owned For Profit (n = 107)	Privately Owned For Profit (n = 250)	Nonprofit (n = 80)	Government (n = 31)	Comparison by Organization Type
Average support for an electronic employment verification system where the organization would purchase the equipment for the process at a nominal fee if it was easy to use, created efficiencies and expedited the employment verification processed	2.23	2.53	2.35	2.26	Publicly owned for profit < privately own for profit

Note: Averages are based on a scale where 1 = "would not support at all" and 4 = "strongly support" (higher averages indicate greater support).

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Table 18 Support for Electronic Employment Verification System Where Organization Purchases Equipment (by Staff Size)

	Small (1-99 Employees) (n = 153)	Medium (100-499 Employees) (n = 204)	Large (500 or More Employees) (n = 108)	Comparison by Organization Staff Size
Average support for an electronic employment verification system where the organization would purchase the equipment for the process at a nominal fee if it was easy to use, created efficiencies and expedited the employment verification process	2.63	2.35	2.21	Small > medium, large

Note: Averages are based on a scale where 1 = "would not support at all" and 4 = "strongly support" (higher averages indicate greater support).

Source: SHRM 2006 Access to Human Capital and Employment Verification Survey Report

Conclusions

At first glance, one may not think that workforce training and skills, immigration and employment verification are topics that are related. However, these topics are intertwined. Human capital is an organization's greatest asset. With potential worker, skills and competency shortages on the horizon and even affecting some organizations already, the need to develop U.S. workers and to recruit foreign nationals to help fill the voids becomes paramount in an organization's efforts to gain access to the most qualified human capital.

Workforce planning requires a mix of recruitment strategies and tactics, and organizations must assess their talent needs and determine a variety of sources to obtain that talent. HR professionals can lead their organizations in recognizing areas where certain skills and competencies will be needed and where shortages are likely. This will allow HR professionals to help create a strategy that may include developing workers in the United States or recruiting

from the best and the brightest outside of the country to ensure the talent is available when needed. While HR professionals and their organizations can work with the community colleges and high schools to address skills shortages, longer-term investment in K-12 education and graduate and postgraduate programs will be needed in order to grow the workforce talent to develop the types of human capital the United States will need as it continues to expand in the global marketplace.

HR professionals do take part in immigration enforcement through both the employment-based immigration programs (using legal immigration procedures) as well as through the employment verification process (protecting against illegal immigration). HR professionals can and should take a role in helping to shape legislation on these issues as they will undoubtedly find themselves tasked with dealing with the legislation at some point in their careers.

An HR Perspective

By Nancy R. Lockwood, SPHR, GPHR, MA, HR Content Expert

Never before has workforce planning been so essential. To maintain a competitive edge, companies look to HR to attract, hire, develop and retain the best talent worldwide. As the survey report notes, finding the right person can be complicated by a lack of competencies, difficulty in locating qualified degreed candidates and immigration policies that require considerable time and funds. However, while many organizations offer educational benefits for their employees and support educational programs in their communities, there are fewer degreed candidates available in areas such as engineering, nursing, technology, science and mathematics. Therefore, when talent is needed now, hiring foreign workers is an important option for organizations to move forward with their business goals.

Beyond the hiring and immigration process, having insight regarding cultural differences is beneficial to HR to assist foreign nationals to more easily adapt to the organization. In particular, HR can help by providing guidance in two areas: 1) practicalities related to daily living; and 2) understanding the American workplace.

First, if foreign nationals are relocating to the United States (perhaps with a spouse and chil-

dren), they may need support to get established so that they can focus more quickly on the job. While HR professionals typically do not become involved in an employee's personal life, foreign nationals may need assistance to obtain a Social Security card (to be on the company payroll), open a bank account, get credit and purchase or rent a home. Other issues can be difficult to deal with, such as getting a driver's license, using the transportation system, understanding the school system to place children in the appropriate class or selecting a phone company. HR can assist foreign nationals through these hurdles by contracting with a reputable relocation counselors know the community, they can provide invaluable support for these daily challenges and even recommend contacts such as plumbers and electricians as well as suggesting social activities and volunteer opportunities for the spouse and children.

Second, foreign nationals require time to understand the organizational culture. Programs such as on-boarding offer the opportunity to educate foreign nationals regarding company programs, policies and practices. In addition, new-hire orientation provides information on employee benefits programs,

from health care to incentive rewards. Foreign nationals may need guidance regarding employee benefits programs and their terminology (for example, some cultures consider a dependent to be a member of the extended family). Discussion about the role of company values regarding organizational behavior (e.g., working with internal and external clients) is also important. Further, foreign nationals may not be familiar with company policies and programs such as flex time, OSHA safety regulations, sexual harassment policies or performance management. Also helpful is the practice of providing new hires with a "buddy." A workplace buddy can provide invaluable information regarding the workplace culture (e.g., organizational structure, appropriate dress, office communications) not obvious to foreign nationals. This individual can also help smooth the way by introducing new hires to others in the company.

Finally, to help foreign nationals acculturate to the organization, crosscultural training programs that address American cultural values, workplace expectations and soft skills, such as communication styles and e-mail communication, can be an invaluable investment for foreign nationals to be successful in the organization. ■

A Look Ahead: Access to Capital

By Jennifer Schramm, M. Phil., Manager, Workplace Trends and Forecasting

A number of different SHRM research studies have shown that one of the key issues HR professionals are concerned about is the potential loss of skilled employees when the baby boomers begin to retire. Labor and workforce analysts disagree over the potential impact this will have. Those who believe that the threat of a labor shortage has been overstated point to immigration as one of the ways that the labor market will evolve to accommodate baby boomers' exit from the labor market.

For this reason, HR professionals will continue to focus on immigration as an important workplace issue. Three areas that are likely to remain an ongoing challenge are 1) how to attract global knowledge workers with the highest skills in a time when all industrialized countries will be experiencing skills shortages; 2) how to deal with any potential areas of controversy involving immigrant labor, especially the threat of public backlash in the case of businesses using illegal immigrant labor; and 3) how to better integrate immigrant workers into the workforce.

Some experts believe that it will become more of a challenge to

attract global knowledge workers at the highest skills levels. Because all industrialized countries are anticipating labor shortages in many industries and sectors that demand high-skilled workers, U.S. companies will be competing with many others for the best and the brightest international knowledge workers. In the past, a major source of highly skilled immigrants was through foreign university students who arrived in the United States to study and stayed on to work. For this reason, some experts believe that the tightening of student visa rules in the aftermath of 9/11 may have an ongoing impact on the number of highly skilled immigrants in the United States. The economies of countries such as India and China—both a significant source of highly educated immigrants—may also be growing enough to accommodate more of their own students through the creation of new knowledge-based jobs. Finally, the development of information and communication technologies is making it much easier for knowledge-based jobs to be exported, enabling skilled workers from abroad to work for U.S. companies without leaving their home countries. These trends may potentially have

some effect on the immigration patterns of the most highly skilled immigrants.

The growing public debate on illegal immigration is also putting pressure on employers to do more to avoid hiring illegal immigrants. This may be particularly true of large, well-known companies because a public backlash in the aftermath of any scandal involving the use of illegal workers could have a major impact on the company brand. The role of employers in immigration is likely to be in the spotlight as the political and social debate on immigration grows more contentious and the number of illegal immigrants continues to grow.

In spite of these challenges, most immigration and demographic experts expect immigration rates to remain high. As a result, the future workforce is likely to be even more diverse. HR professionals will be increasingly involved in efforts to help integrate immigrant workers into the workforce through language training and cultural awareness efforts as well as keeping up to date with new immigration legislation and determining the effect this may have on their organizations. ■

Demographics

Organization Sector

(n = 485)

Privately owned for profit	53%
Publicly owned for profit	23%
Nonprofit	17%
Government	7%

Organization Staff Size

(n = 483)

Mean number of employees is 1,395 while the median is 160. Respondents worked in organizations as small as one person and as large as 100,000.

Small organization (1-99 employees)	33%
Medium organization (100-499 employees)	44%
Large organization (500 or more employees)	23%

Organization Industry

(n = 487)

Services (profit)	14%
Manufacturing (durable goods)	11%
Wholesale/retail trade	9%
High-tech	8%
Health	7%
Manufacturing (nondurable goods)	7%
Educational services	6%
Services (nonprofit)	5%
Construction and mining/oil and gas	4%
Finance	4%
Government	4%
Insurance	3%
Telecommunications	2%
Transportation	2%
Newspaper publishing/broadcasting	1%
Utilities	1%
Other	12%

Census Region

(n = 475)

Midwest (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin)	35%
South (Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia)	28%
West (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Montana, Oregon, Utah, Washington, Wyoming)	23%
Northeast (Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont)	14%

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