

# The data shows: Top H-1B users are offshore outsourcers

## U.S. government's H-1B visa list shows accelerating demand from offshore outsourcers

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WASHINGTON -- The largest single users of H-1B visas are offshore outsourcers, many of which are based in India, or, if U.S. based, have most employees located overseas, according to government data obtained and analyzed by *Computerworld*.

[Search the 2012 H-1B database by employer](#) to see how many new H-1B visas were granted to a company.

The analysis comes as supporters of the skilled-worker visa program are trying to hike the H-1B cap to 300,000. Supporters of the raised cap, though, [face opposition](#) from critics who contend that H-1B visas undermine American tech workers and shouldn't be expanded.

Based on the U.S. Citizenship and Immigration Services (USCIS) data analyzed, the major beneficiaries of the proposed increase in the cap would be pure offshore outsourcing firms.

### *H-1Bs by year*

Year	Approved
FY12	134,780
FY11	99,591
FY10	69,266
FY09	80,283
FY08	98,014

Initial petition requests that were approved; does not include renewals. Source: U.S. Citizenship and Immigration Service

Most of the largest H-1B users easily account for more than 35,000 H-1B visas under the "initial" visa plan, which includes new H-1B visa holders or those who work second concurrent jobs with a different employer. H-1B visa holders who change employers altogether are not counted as new approvals. The government data could also include visa applications filed in 2011 but not approved until 2012.

"This is just affirmation that H-1B has become the outsourcing visa," said Ron Hira, a public policy professor at the Rochester Institute of Technology and researcher of tech immigration issues.

### *H-1B visa approvals*

<b>Company</b>	<b>2012</b>	<b>2011</b>
<b>Cognizant</b>	9281	5095
<b>Tata</b>	7469	1659
<b>Infosys</b>	5600	3360
<b>Wipro</b>	4304	2803
<b>Accenture</b>	4037	1304
<b>HCL America</b>	2070	930
<b>Mahindra Group (incl Satyam)</b>	1963	404
<b>IBM</b>	1846	987
<b>Larsen &amp; Toubro</b>	1832	1156
<b>Deloitte</b>	1668	798
<b>Microsoft</b>	1497	1384
<b>Patni Americas</b>	1260	164
<b>Syntel</b>	1161	363

Employers with the most new H-1B visa application approvals in fiscal year 2012. Source: Computerworld analysis of U.S. Citizenship and Immigration Service data. Some company divisions were combined, such as IBM Corp. and IBM India, Tata consulting and engineering groups, etc.

Not all of the the major H-1B users are India-based.

Microsoft ranked 11th and has largely been the public face of those supporting a U.S. H-1B cap increase. [IBM is also a major visa](#) user but its numbers also include the company's India-based operation. Global firms Accenture and Deloitte use the visa for IT services operations.

The U.S. currently makes 85,000 H-1B visas available annually, but more can be approved for operations with exemptions, such as universities and nonprofit research organizations.

A group of 10 bipartisan U.S. senators last month filed a bill, called the Immigration Innovation or I-Squared Act, that would hike the H-1B visa cap immediately to 115,000 and then allow it to gradually rise further to 300,000.

One of the bill's sponsors, Sen. Orrin Hatch, R-Utah, said the bill addresses "the shortage of high-skilled labor we face in this country. This shortage has reached a crisis level."

While the companies who testify in support of raising the visa cap are typically U.S.-based, like [firms like Microsoft](#), the largest H-1B visa users are offshore providers, such as New Jersey-based Cognizant, which at 9,281 visas in 2012 led the list.

At the end of 2011, Cognizant employed 137,700 overall, according to its annual report. Of that number, 21,800 were based in various locations throughout North America and Latin America. The balance was mostly in Asia-Pacific. Cognizant employed 156,700 at the end of last year, but has not yet released a new annual report yet with regional breakdowns.

Of its U.S. workers, Cognizant points out in securities filings that the "vast majority of our technical professionals in the United States and Europe are Indian nationals who are able to work in the United States and Europe only because they hold current visas and work permits."

[Click to load this H-1B online database.](#)

Cognizant didn't want to comment on the data, but did raise a caution flag that it believes the 2012 government numbers are higher than the number of H-1B visas the company actually used. However, USCIS confirmed that the data in their list was accurate.

According to the USCIS data, initial H-1B approvals for all employers combined jumped 35% year over year.

The USCIS initial data includes some 134,000 entries. Some companies are entered multiple times because of variation in their identification due to multiple business units (IBM Corp. vs. IBM India, for example) and multiple versions of the same company name (such as Microsoft Corp. and Microsoft Corporation).

The different versions were consolidated in Computerworld's analysis but left in their original form in the searchable database above. It also includes institutions that are exempt from the cap, such as universities and research institutions. This data is for the 2012 federal fiscal year that ended on Sept. 30.

While the USCIS data shows a higher number of initial visa requests for all the outsourcing firms last year, the numbers have not changed the overall trend. The pattern of usage remains the same.

Offshore firms, including India-based Tata Consultancy Services, Infosys, Wipro, Mahindra Group (which includes Satyam) and Larsen & Toubro, have been among the largest users year after year.

Hira believes that more H-1B visas will lead to more offshore outsourcing.

"The failure of Congress and the Obama Administration to close loopholes in the H-1B program is reducing job opportunities for American high-tech workers and undermining their wages," said Hira.

Hira believes the H-1B usage data should give pause to the lawmakers who introduced the Immigration Innovation Act. "If that bill were to be passed we'd see a major hemorrhaging of American jobs and it would discourage American kids from studying high-tech fields," he said.

Microsoft would not comment on the USCIS data. The company is perhaps the leading industry advocate for tech immigration reform and increasing the "STEM pipeline," referring to science, technology, engineering and math jobs.

The large hike in H-1B visa use marks the first time that new-use approvals broke 100,000. When asked to double-check those surprising results, a USCIS spokesman said they were confident of the data.

Some sources who saw the numbers speculate that the higher H-1B count numbers may be result of a shift from the L-1 visa, which are used by companies with offices in the U.S. and abroad to transfer employees. Visa rejection rates have been rising, they noted.

Hong Kong-based CLSA Asia-Pacific Markets, an equity and financial services group, said visa rejection rates are exceeding 40%. But it believed the outlook for overseas firms is improving thanks to a shift in Congress on immigration.

Citing recent moving to liberalize access to work visas and permanent residency, CLSA sees Congress "taking a more reformist and accommodative stance moving away from the anti-business immigration rhetoric which dominated the U.S. immigration discourse through 2011-12."

[http://www.computerworld.com/s/article/9236732/The\\_data\\_shows\\_Top\\_H\\_1B\\_users\\_are\\_offshore\\_outsourcers](http://www.computerworld.com/s/article/9236732/The_data_shows_Top_H_1B_users_are_offshore_outsourcers)