Where We Are Now –The Presence and Importance of International Students to Universities in the United States

Niall Hegarty, EdD
Tobin College of Business
St. John’s University, New York (USA)

Abstract

This paper highlights the importance of international students to the United States by discussing their impact and necessity to U.S. universities. International student enrollment is a major industry of importance to the U.S. economy and despite arduous visa processes and diminished job prospects their enrollment numbers continue to grow. The Institute of International Education (2012) reports that a lack of funding to public universities has increased their reliance on the revenue provided by international students while private universities also seek to bolster their position in the face of increased international competition. The importance of international students in under-enrolled majors, their necessity as a vital revenue stream for universities and the challenges faced by both student and host university are also discussed. The author provides recommendations for improving the educational experience of international students through improved relationships with university constituents in order to maintain the attractiveness and competitiveness of the U.S. as a preferred place of study.

Keywords: International students, impact, retention, challenges, enrollment, higher education

A simple stroll across any university campus in the United States brings awareness of the presence of international students. Universities take great pride in how diverse their student populations may be but their absence would be a cause of great concern because what isn’t readily apparent is the necessity of these students as a source of revenue for various programs survival across many campuses in America. Many recognize the importance of this student population but fail to understand the scale of their influence. Consequently, this article seeks to emphasize the sheer magnitude of this population and how their presence is no longer in addition to the general student body but rather a vital component of it.

International students have an increasing presence in large universities in the United States and with them they bring an important component that of diversity of thought. While the cost of private education in the U.S. continues to rise their presence has never been more crucial to the existence of numerous academic programs. Consequently, they are gradually contributing to the reshaping of both academic disciplines and entire universities. However, just when they are needed most the U.S. has lost its monopoly on international students as an increased number of universities worldwide are competing to attract students that wish to study abroad (Guruz, 2010).
nations such as China, Korea, and Taiwan are also increasing efforts to keep their brightest at home (Douglass & Edelstein, 2009). These factors, combined with an international climate where visas and ease of travel are an issue, have created the most challenging period the U.S. collegiate system has ever experienced in attracting international students (Lee, 2010). This paper discusses the overall international student climate as a barometer of enrollment and to highlight the fact that many universities have already developed a strong international recruitment plan. In doing so it hopes to alert educators and decision makers that international students are no longer a complimentary addition to university programs but rather a stable and growing presence in classrooms.

**Review of Literature**

In reviewing the available literature on international students the primary goal is to highlight the scale of influence international students have on the U.S. university system. Central to this, their numbers as reported by government agencies, location of study, and enrollment trends are discussed. This will serve to provide context in terms of the importance of this student population.

As of July, 2013, there were approximately 1,253,705 active non-immigrants registered on the Student and Exchange Visitor Information System (SEVIS, 2013). These non-immigrants contributed more than $21 billion dollars in the 2012 academic year to the U.S. economy as reported by the Institute of International Education (IIE) “Open Doors” data and in many cases are the most competitive students on many campuses (McCormack, 2007). It is important to emphasize that international students are non-immigrants having a permanent residence abroad as defined by the Department of Homeland Security (2013) and are expected to return to their country upon the completion of the purpose of their stay. The exception to this is the 65,000 H1-B visas issued every year which permits individuals to work in the U.S. for a period of six years. A study by Chelleraj, Maskus, and Aaditya (2008) building upon this estimates that as little as 15% typically remain in the US long term.

When international students choose to study in the Unites States they are predominantly found in colleges in California, New York, Florida, Texas, and Pennsylvania. In fact 36% of all international students in the U.S. are studying in these states while The University of Southern California has the highest individual enrollment of international students with 9,329 enrolled as of July, 2013 (SEVIS, 2013) while the state itself hosts 111,379 international students, the largest in the U.S.

However, not all international students enroll in four-year colleges or master degree programs. Many have discovered community colleges as both a way of reducing costs and improving English language skills prior to applying to 4-year colleges for their final two years (Winslow, 2007; West, 2012). This also frees up finances for funding graduate school should an individual wish to pursue advanced study. International students typically occupy a greater percentage of graduate programs than undergraduate programs thereby increasing their chances of staying in the U.S. on a long-term basis through employment sponsorship (Chellaraj et al., 2008). These high-skilled graduate students are also more likely to pursue available positions in areas such as science, math, engineering, and technology which are not favored by domestic students as reported by the Congressional Research Reports for the People (2008). Further research in this area cites the availability of foreign born U.S. educated personnel and the need for their expertise in
these areas (Schuck & Tyler, 2010; Gower, 2011; Eng, 2013; Larson, 2011). Contrary views, however, claim that the U.S. has sufficient numbers of citizens qualified in high-skilled areas who are simply pursuing careers in other fields due to a variety of factors including job location, salary, and type of work (Lowell, 2010; Martin, 2012).

The plight of the international student in the U.S. university educational system is well documented in terms of language, adaptation, and culture barriers (Sherry, Thomas, & Chui, 2010; Yakunina, Weigold, Weigold, Hercegovac, & Elsayed, 2013; Hong & Jianqiang, 2013) yet this population persists in seeking an education in the United States as the perceived benefits still outweigh the challenges faced in its pursuit (Borgia, Bonvillian, & Rubens, 2011). The available literature on this topic posits the importance of acclimation and integration of international students (Mamiseishvili, 2012; Tas, 2013) but there is no emphasis on how crucial this population remains in filling the gap of any budgetary shortfalls and the impact it has had on increased international recruiting efforts.

In terms of enrollment numbers, although graduate school enrollment generally has the greatest number of international students, however, 2010 and 2011 did see greater increases in undergraduate international students than graduate students (SEVIS, 2011). This may be due to the recent strength of the Chinese economy giving its wealthy class more disposable income to invest in longer educational programs abroad (McMurtrie, 2011). This strength in the Chinese economy coupled with a weak dollar allows the U.S. university system to still maintain its attractiveness to foreign students (Hanson, 2008; Feng & Martin, 2008).

Business programs continue to see the highest enrollment of foreign students with 2010-2011 showing 186,248 students despite the fact that business schools are bracing for an uncertain future due to a continuing weak global marketplace. A weakened economy together with high education costs discourages potential domestic students from returning to graduate school which has placed pressure on universities and colleges to grow international recruitment efforts. NAFSA: The Association of International Educators reports that the majority of large programs have increased their international recruitment efforts through either new personnel or increases in efforts on behalf of current employees. With the aftershock of the 9/11 attacks showing a decline in applicants by 28% for 2003-2004 (McCormack, 2005), subsequent growth has been encouraging with every year since 2005 showing increases in applications (Council on Graduate Schools, 2012). For the year 2012 an overall increase of 9% highlights the fact that international students remain through harsh times a constant, reliable, and vital source of students for U.S. universities.

International Student Impact on Universities

The number of international students present at a university makes a significant contribution to the “personality” of that institution, and also to its financial well-being. With the majority of international students paying full tuition the importance of their presence in American academic life cannot be underscored. The Student Exchange and Visitor Program (SEVP) which falls under Immigration and Customs Enforcement (ICE) reports that the University of Southern California has 9,329; Purdue University has 8,863, and the University of Illinois has 8,320 international students enrolled. These are the three universities with the highest enrollment of foreign students. International students make up approximately one-eighth of Purdue’s total university population and anywhere from 50% to 60% are enrolled in masters or doctoral programs. While the majority of students study engineering, management, and life sciences at Purdue, it also boasts the highest
enrollment of any U.S. college of international students studying visual and performing arts (Schoettle, 2008). What sets Purdue apart is its commitment to aggressively recruit and retain international students by spending many thousands of dollars to cater to their needs. Obviously, from the figures of each of the top enrolled universities it becomes clear that the vast majority of international students must be located in smaller and mid-sized universities. Indeed only 144 colleges can boast international student populations of 1,000 or more. Consequently, what these enrollment numbers emphasize is the relevance of this body of full tuition paying students.

The presence of such a large contingent of full tuition paying students has not gone unnoticed - The Institute of International Education reports that almost 62% of institutions have increased recruitment efforts to ensure international student enrollment remains healthy with 31% of institutions specifically focusing their efforts on China. For its part, China provides approximately 244,359 international students to the U.S., which can be seen in Table 1, and Asia in general enrolls over 437,000 students in the U.S. To this end, SUNY, for example, has initiated a five year plan to increase enrollment by 14,000 international students (Lederman, 2011). This phenomenon of U.S. universities strategizing and actively seeking out new international students has been repeated all over the country. Although many universities will tout the benefits of international students and the diversity they bring to campuses, there exists the underlying fact that in the future there will be a decline, demographically, in the number of U.S. domestic students (Heckman & LaFontaine, 2010). Universities are therefore seeking to offset this decline by exploring new geographic regions internationally to maintain enrollment and the inflow of tuition dollars.

Table 1
International Student Enrollment of Top Four Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>2013 Enrollment</th>
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<tbody>
<tr>
<td>China</td>
<td>233,992</td>
</tr>
<tr>
<td>India</td>
<td>96,674</td>
</tr>
<tr>
<td>South Korea</td>
<td>91,677</td>
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<tr>
<td>Saudi Arabia</td>
<td>61,944</td>
</tr>
</tbody>
</table>

Source: SEVIS (2013)

Academically, international students are a vital component of research universities. Indeed they are considered to be highly important to U.S. innovation. According to Chellaraj et al., (2008) a 10% increase in international graduate students correlates to a 4.5% increase in patent applications. With the United States secondary educational system considered by to be losing ground on the rest of the world the question then bodes how can its research and development still be competitive. Obviously, if international students are choosing to enroll in research universities such as USC and Purdue then it becomes evident that international students are picking up the mantle of innovation in the U.S. and are essential to these universities’ research functions.

Since the 1970’s doctoral programs have actually grown to accommodate the demand from international students. This is contrary to the belief that domestic students have lost places to international students. Research by Matloff (2013) indicates that international students in Ph.D. programs in technology do not outperform domestic students in terms of dissertation awards and patent applications. This brings attention to the fact that international students come to the U.S. to study with the best domestic minds rather than to replace domestic students in graduate programs.
Consequently, it is because of the quality of domestic students that international students are attracted to U.S. universities. The addition of bright international students in advanced study both enhances a program and provides much needed funding. The vast majority of international students pay full tuition and cannot gain entry into the country without proof of financial support for the duration of their studies. Once a student is admitted this is a guaranteed revenue stream for a university for at least two years; four years in the case of an undergraduate student.

**Who Else Needs International Students?**

Thus far this paper has focused on the numbers of international students present in U.S. universities and their importance to university life. However, the effect of international students studying in the U.S. can be felt beyond campus boundaries. The monetary strength of this population has forced not only universities but also local economies to become very sensitive to their presence.

Injecting almost $22 billion dollars into the U.S. economy each year international students are a vital source of revenue. From tuition and fees, to food, clothing, travel, and textbooks almost every other industry within the U.S. benefits from their presence. The value of international students to the U.S. surpasses the gaming industry ($18 billion), weight loss industry ($20 billion), and the domestic music and movie industries combined ($20 billion). The state of Massachusetts alone with a dense number of colleges enjoys almost $1.5 billion each year from educating and hosting these students (Schworm, 2008). In larger urban areas such as New York and California that figure rises to $2.5 billion and $3.2 billion respectively (Table 2).

<table>
<thead>
<tr>
<th>State</th>
<th>Contribution (millions USD)</th>
</tr>
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<tbody>
<tr>
<td>California</td>
<td>3,214</td>
</tr>
<tr>
<td>New York</td>
<td>2,583</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>1,489</td>
</tr>
<tr>
<td>Texas</td>
<td>1,355</td>
</tr>
<tr>
<td>Total</td>
<td>8,641</td>
</tr>
</tbody>
</table>

*Source: NAFSA (2012)*

Even non-traditional destinations such as the state of West Virginia earns close to $60 million each year according to NAFSA. And with Toyota and other Japanese companies committed to the area, WVU has committed to making the university welcoming to international students (Slagle, 2006). However, it seems that the vast majority of universities and colleges are realizing that they can no longer rely solely on their web page and word of mouth in the recruitment of international students. Clearly, the U.S. marketing machine needs to concentrate more on attracting students in this lucrative market.

**Challenges International Students Face in Studying in the U.S.**

The initial challenge an international student faces is in choosing where to study in the U.S. While international students quite often do not understand the importance of accreditation, they do have interest in rankings (Van Vaught & Westerheijden, 2010). Other issues such as location, major, cost, family recommendations, and university name recognition also come into play (Daily, Farewell, & Kumar, 2010). Ultimately, international students are prepared to face the challenges of
study in a different country for the simple reason that they feel they can get a better education abroad which will differentiate them from their peers upon returning home. Add to that the different delivery method of education in the U.S. which is generally collaborative in nature, the international student feels exposed to a non-rote way of learning.

Apart from the obvious language barrier there exists many challenges to students studying in the United States. Firstly, a cumbersome and exhausting visa process ensures that only the determined student succeeds in attending university in the U.S. Once here, many students find interaction with the international students’ office of their university a cumbersome ordeal. Reporting standards, training and compliance requirements of SEVIS combine to make international student administrators and counselors viewed more as immigration gatekeepers than a support mechanism for international students (Rosser, Hermson, Mamiseishvili, & Wood, 2007). In addition, the cultural differences of food, customs, financial constraints, homesickness, loss of social status, fear, and a sense of insignificance can all accumulate to make the international student truly feel overwhelmed in the U.S. collegiate system. And due to the fact that many international students are in the country for a short period of time many may feel adjustment to the American way of life unnecessary which may alienate them on campus and through their own actions leave upon graduating with an unimpressed and uninformed view of life in the U.S. This perception is a challenge and must be addressed by colleges seeking to grow their international enrollment.

**Accommodating the Transition**

Essential to accustomizing students to American life is to integrate students quickly into college life so as to avoid feelings of alienation. This means a high level of interaction with international students is required to promote retention and an overall positive learning experience. To accomplish this many universities have embraced internationalization in their curriculum to reflect a commitment to teaching disciplines within a global context. A study conducted by the American Council on Education (2012) reports that 93% of doctoral, 84% of master’s, and 78% of baccalaureate institutions have experienced an increase in internationalization on their campuses over the past three years. This increase in internationalization serves to diminish feelings of alienation experienced by students and promotes contextual learning with global ramifications. Also, international students feel immense pressure to perform academically to justify the expense of such an undertaking. International students are less likely to seek counseling at university counseling centers as this may be frowned upon back in their home country (Lacina, 2002). Consequently more advisement counselors and a well-organized international student services office is necessary, not just for paper processing but also for integrating students into college life through international food fairs, international movie clubs, cultural nights, and so on. Interaction with other nationalities is also important so that international students can realize that other international students are facing similar problems. A buddy system whereby an international student has another student to consult can also calm nerves upon entry into a new university. Klomengah (2006) showed that students that have regular contact with others are less alienated from college than those who do not maintain regular contact. This therefore suggests that high levels of interaction facilitate an easier adjustment to college life in the United States.
Monopoly No More: Growing Options for International Students

While the purpose of this article is to highlight the impact international students have on U.S. colleges and universities by emphasizing their weight in numbers both in terms of necessity for academic program survival and financial survival, the competition for this lucrative body of students has grown enormously. Due to visa processing becoming more tedious since the 9/11 terror attacks in the U.S. many international applicants have become frustrated and looked elsewhere for educational options.

Australia has lost no time in promoting its educational system and now enjoys almost $16 billion in annual income (Australian Education International, 2012). Education is now Australia’s third biggest export (Slattery, 2008). One fifth of all college students in Australia are international and one fifth of international students in Australia are Chinese (Australian Bureau of Statistics, 2011). International students can also fast track to citizenship in Australia which is currently skilled-deprived and anxious to retain educated workers. Thus, there is a strong interconnection between immigration policies and education in Australia (Ziguras, 2006).

However it does appear that with a small population the sustainability of whole universities in Australia rests on the enrollment of international students. This is not an optimal situation for any university but a situation which Central Queensland University found itself in due to half of its 25,000 students coming from overseas (Slattery, 2008). When enrollment dropped, 200 faculty and staff members were dismissed in June 2008 at CQU. And for the same reason, declining enrollment, Melbourne University also found itself dealing with a $5 million budget deficit. Australian universities are not entirely without blame for overdependence on international students. The Australian government cut funding to universities and so the only alternative was to aggressively recruit students frustrated by the visa application process to the US. To ease the financial pressure on universities proof of four years of financial support of international students has now been reduced to two years by the Australian government (Labi, 2011). A similar scenario is now playing out in the U.S. where government spending on public colleges has been reduced thereby forcing public colleges to actively seek new sources of revenue in the form of international students.

Canada for its part is also providing increased competition to the United States. A 2012 report by Foreign Affairs and International Trade Canada indicates that international students are worth approximately $8bn to the Canadian economy; a figure that has grown by $2bn since 2008. New work laws allow international students to work for up to three years after graduation with or without a job offer at the time of graduation. And, once working international students can apply for permanent residency in the U.S. (Baruah, 2008). This is done in direct competition to the U.S. one year policy and the imposed quotas in the allotting of H1-B visas which allows a student to stay in the United States for a period of six years once sponsorship has been secured which in itself can be an extremely difficult task to obtain. Consequently, this exposes the stark difference in the approach between the U.S. and Canada to international students. While the U.S. sees international students as temporary residents while studying, Canada with an aging population views international students as potential immigrants (Desoff, 2012). This important difference is reflected in Canadian immigration laws which are favorable towards international students.

England to safeguard it’s share of the international student market has increased the after study stay to two years in the hope of attracting more students and increasing international students ability to pay back loans from money earned in sterling over those two years. The British Council
(2012) informs that international students are worth over $14bn to the U.K. economy. This despite the fact that a strong sterling has deterred many from enrolling over the past few years and stringent attendance policies mean any student that misses ten lectures must be reported to the government (Dutt, 2008). However with upwards of $2bn in government cuts in educational spending additional capacity in terms of student places will not be increased in the foreseeable future (Tobenkin, 2012).

Added to this competition that the U.S. faces Taiwan has recently sought to retain its students and gain more international students. To this end, Taiwan’s national Chengchi University (NCCU) has gained AACSB-International accreditation for its business programs (Hille, 2008). This is the benchmark by which all business schools are measured and its attainment places Chengchi University in direct competition with U.S. business schools. China is also seeking to retain more of its students and is expanding its educational system by improving its research universities (McCormack, 2007; Pan, 2010).

Mainland Europe is also providing new competition to the U.S. Germany, the Netherlands, and even France are now offering more graduate programs entirely in English. Even Finland and Denmark, with shrinking natural populations are attempting to reach a critical mass of students by appealing to international students by teaching nearly one-fourth of all its programs in English (Labi, 2007).

What this amounts to is an increased pressure on the U.S. system to attract and retain students at the level it once did. It becomes clear that universities in the U.S. must do more than they have done in the past to attract tuition paying international students. Ironically, although the U.S. economy is troubled, the weak dollar has provided a cushion for universities seeking to attract international students. The common threat that all competitors to the U.S. seem to have is a government keen on encouraging international students. The U.S. lacks a federal policy that encourages such enrollment and this in itself could prove very detrimental to the economy (Farnsworth, 2005). In a weak economy it seems contrary to job growth for the U.S. to have controls in place which deter international students from applying to U.S. colleges, and for those that do apply and graduate encourages them to leave once graduated. Fear of terrorism and lack of knowledge of the importance of this $22bn industry to the U.S. economy allows it to go unnoticed by the public and politicians alike. However, such folly will prove detrimental as other countries are eager to capitalize on U.S. fears and misconceptions of this population.

**Future Recommendations**

International competition for international students has increased greatly since the terrorist attacks of 2001. The United States no longer shares the market with just the United Kingdom but also with other European countries and Australia. English is increasingly becoming the medium of instruction in graduate programs worldwide. And increasingly, the governments of foreign countries are assisting universities in attracting international students. But the United States government has yet to follow the examples of the UK, Canada, and Australia in extending the amount of time a student can stay and work in the US. With the current one year OPT (Optional Practical Training) in place skilled students are denied the opportunity to contribute to commerce and society, and in fact, are encouraged to leave. Losing such a vein of qualified contributors to an economy can and may prove very detrimental to the U.S. educational system and economy.
Clearly, the connection between education and immigration policies as a means to improve the quality of the workforce which is present in a variety of countries is still lacking in the United States; this must be addressed. The need for post-graduate visa extension is paramount to assisting graduates gain meaningful work experience while also increasing the attractiveness of the U.S. as a location for study.

However, international students upon returning home are a great source of good-will for the United States. Many go on to very influential positions in their home country and the goodwill built up from their years in the United States could prove very beneficial for the U.S. both economically and politically. Consequently, this goodwill must be built upon and nurtured. Such an opportunity exists in keeping students in the US for a period longer than one year after graduation. Clearly, the one-year OPT satisfies neither employers nor students as it does not give ample time for an employer to gain value from an employee. Neither does it provide the student with enough credible work experience to launch a professional career. Exposure to the U.S. work environment is a key component in producing individuals familiar and eager to work with U.S. corporations abroad. Consequently, increasing the length of time an international student may stay in the U.S. under OPT is vital to achieving such goals.

Another area that needs further study is the difference between male and female students in their choice to come to the United States and any differences experienced in adjustment to life in the U.S. Addendum to this we may also find worthwhile knowledge in examining the traits of successful international students and promoting such traits in future students.

International students, as previously stated, quite often enroll in programs that are under-enrolled by domestic students and therefore are the lifeline of existence for many programs. Universities need to actively recruit from abroad for such programs not just on an individual basis but also as conglomerates. By show-casing many colleges together overseas each will improve their chances of attracting international students and building upon reputations. Essentially, with increased global competition universities in the United States must greet the market and abandon the ideology that students will come to the U.S. regardless. To achieve this, budgets must be allocated, recruitment plans initiated, and markets developed to produce a steady stream of quality applicants.

United States colleges must also pursue the brightest international students by increasing scholarships to research universities. This will help the economy maintain its competitive position globally. The world’s brightest students must be given a reason to enroll in U.S. colleges and both full and partial scholarships are a clear path to attract such candidates.

Once international students are enrolled efforts must be made to ensure that they are well received and assimilated quickly into college life to improve retention and ensure adequate classroom performance. International students need to be aware that there is support in adjusting to a new country and that other students have experienced the same challenges and have been successful. Exposure through university events to other international students from different countries so as to share experiences of culture adjustment is also beneficial (Luo & Jamieson-Drake, 2013). Effective English as a Second Language programs must be instituted to quickly alleviate fears about speaking and writing in English. The sooner the language barrier is broken the quicker students assimilate into college life and this command of the English language must be aggressively pursued.
Finally, this research proposes that to have a positive experience for international students universities must have a collaborative approach where all university constituents understand how vested they are in international students and the importance of providing them with a smooth transition into U.S. educational life. This is vital in terms of retention and in contributing to a positive educational experience. Future scholarship could best serve this population by examining the reasons why international students not only choose to come to the U.S. but also in why they stay. An examination of the changing mechanisms universities has put in place to accommodate and grow this population’s retention and satisfaction rate is also warranted.

Conclusion

A common thread shared by all business models is that if organizations do not take care of their customers someone else will. This article has at its core the purpose of stressing the growing importance and need of international students in the United States. While the majority will admit this student population is important to universities there exists ignorance on just how important they are. This article has as its purpose the intent to close the gap in knowledge on this student population by drawing attention to the fact that it is both immense in terms of its size and dollar value to universities. Furthermore, it serves to stress that this population needs to be nurtured by universities particularly in light of under-enrolled programs where their presence is crucial. Additionally, it draws attention to the growing options international students have in terms of other countries being able to accommodate their educational needs. The climate surrounding international students, their choices, their recruitment, and retention has changed dramatically in very recent years and there needs to be awareness of this.

An area of study neglected for many years, it is now clear that such a huge economic ingredient to both the U.S. economy and collegiate life needs immediate attention to ensure continued survival of educational programs, the continued international recognition of the U.S. university system, and a positive experience for those willing to choose U.S. universities. University administrators must recognize that international students do and will deliver large portions of tuition revenue and as such their needs must be addressed by colleges and universities. Failure to recognize or plan without this student population in mind may lead to diminished funding for colleges and program failures in certain academic disciplines.

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About the Author:

Dr. Niall Hegarty is Assistant Professor of Management at St. John’s University. He has also served as Assistant Dean and Associate Director of Academic Advisement at the university’s Manhattan campus located in the heart of the financial district. E-mail: hegartyn@stjohns.edu