

FACT SHEET

Workforce Development

VERONICA ONOREVOLE

U.S.-JAPAN HIGHER EDUCATION ENGAGEMENT STUDY (USJP HEES)

This fact sheet is part of a larger study by the American Council on Education (ACE). This fact sheet and the accompanying live, interactive database, real-time analysis, case studies, and infographics provide a foundation to capture U.S.-Japan higher education institutional partnership activities.

The goals of USJP HEES are to improve mutual understanding and cooperation within the U.S.-Japan higher education community and to capitalize on its strengths within the global higher education context.

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Visit www.acenet.edu/usjp-hees to learn more about the project.

Background

Higher education is more important than ever for both individual opportunity and national competitiveness. In today's knowledge economy, the integration of study and work across the globe is shaping the structures and futures of employers and higher education institutions alike. New programmatic models blending academic and work-based learning are emerging to meet the rise in demand for experienced graduates, including the incorporation of formalized internships and service learning programs through agreements between universities, placement firms, and industry. While the pressures and goals vary across stakeholder groups, college and university leaders, public policymakers, and students and families are eager for new ways to deliver and receive a quality and affordable postsecondary education that prepares graduates for career success.

In the face of technological change and increased global competitiveness, postsecondary workforce development initiatives have gradually grown over the last decade between the United States and Japan. These involve an array of private and public stakeholders, particularly multinational private industry and government agencies that share similar urgency for preparing globally competent talent. For example, Japanese automakers with a presence in the United States have been doubling down on their support for workforce training programs and targeted science, technology, engineering, and mathematics (STEM) education initiatives, devoting human and capital resources to developing skilled talent in high-tech manufacturing as well as research and development. In Ohio, Honda is proving its commitment to developing the next generation of technology and manufacturing professionals by directly supporting educational institutions focused on STEM education, including The Ohio State University.

Both the U.S. and Japanese governments are making commitments to advance postsecondary workforce development programs. In 2016, Japan's Ministry of Economy, Trade and Industry (METI) launched the Japan Internship Program to serve as a stepping-stone for international students to work in Japanese firms, particularly small and medium-sized companies. The program fully funds up to 200 international undergraduate and postgraduate students per year to pursue internships with Japanese companies for a three-month duration (Japan Ministry of Economy, Trade and Industry 2016).

In addition, Japan's most powerful business lobby, the Federation of Business, or Keidanren, whose membership numbers about 1,500 companies, abolished in the fall of 2018 its more than 70-year-old job-hunting rules, permitting Japanese companies to hire graduates at any time of the year starting with the graduating class of 2022. With these changes, Japanese students will hopefully find more freedom to pursue internships, service learning, study abroad, and other experiential opportunities to develop global competencies. In 2019, the U.S. Embassy Tokyo, the American Chamber of Commerce in Japan (ACCJ), and the U.S.-Japan Conference on Cultural and Educational Interchange (CULCON) launched an online internship platform that posts student internship listings from participating ACCJ member companies. The original goal of the website was to provide Japanese students with internships when they return to Japan, therefore improving their prospects for being hired. It was also established as a way to encourage Japanese students to study in the United States and U.S. students to come to Japan (Jones 2020).

For both the U.S. and Japan's higher education systems, rethinking the university's business model to analyze how processes, technologies, and resources deliver value in meeting the needs of traditional and post-traditional students has become paramount. Up until the last decade, Japanese institutions were less

accustomed to collaborating with the private sector to create internship programs to place Japanese students with local companies or seeking corporate sponsorship for joint projects—both of which are an important part of the internationalization equation for many U.S. institutions. Many Japanese employers, especially large and prestigious firms, had little incentive for engagement in studies after matriculation on the part of Japanese students and limited interest in the development of professional capabilities on the part of university instructors. Nonetheless, there now appears to be a rising interest on the part of employers in recruiting graduates with some specialized skills and work-related competencies and keener interest among students in acquiring these—as evidenced, for example, by the professional development enrollments at *senmon gakko* and employability-related courses at universities. Further, in November 2020, Sophia University became the first university in Japan to collaborate with a private recruitment placement agency to assist international students with Japan’s recruitment process (*Japan Times* 2020).

In the past, traditional university education typically prepared students for careers defined by others. In the unpredictable post-pandemic world more than ever, higher education institutions need to prepare graduates for careers they define themselves. Universities must offer the curricula, facilities, and incentives to create new generations of entrepreneurs as well as the traditional pathways into the professions, established companies, and government (Dodgson and Gann 2020). In the United States, universities and policymakers are working to encourage students to develop the confidence and skills necessary to become entrepreneurs as well as further promote the advantages of entrepreneurship through incentives that reduce the risk calculation for would-be entrepreneurs. In Japan, this entrepreneurial spirit is just starting to take shape with the recent rise of several notable start-up successes, such as Rakuten, Gree, and DeNA.

The University of Pennsylvania’s Wharton School of Business *Global Entrepreneurship Monitor* found that 4.9 percent of U.S. adults between the ages of 18 and 64 are working actively to establish new businesses, compared with only 1.9 percent in Japan (Karlin 2013). Immigrants remain a noteworthy exception to the gradual decline in new company formation in the United States since the 1970s (Haltiwanger, Jarmin, and Miranda 2013). Immigrants are roughly twice as likely as native-born Americans to start a new business. In 2014, immigrants founded 28.5 percent of new start-ups, up from just 13 percent in 1997, and one-quarter of new engineering and technology start-ups had an immigrant founder (Stangler and Wiens 2014).

In Japan, new companies have propelled most of the productivity growth and job creation over the past several decades (OECD DynEmp project 2020). Kyoji Fukao, of Hitotsubashi University, and Hyeog Ug Kwon, of Nihon University, noted that Japanese companies founded after 1996 contributed a net positive of 1.2 million new jobs, whereas older companies shed a net 3.1 million jobs (Karlin 2013). Robert Laing, co-founder of Gengo, a translation company in Japan, noted that entrepreneurship “needs to start with the universities.” Like parents, universities are too risk averse and do not “prepare students for business and encourage [them] to go into entrepreneurship.” He observed that successful entrepreneurs in Japan have studied abroad, are proficient in English, and have connections to the U.S. (Karlin 2013).

In order to fully realize the value of international internships, institutions of higher education, employers, and students must create new levels of partnerships to develop international internship experiences through which all stakeholders gain. The role of the university to provide the guidance and conceptual framing to enable students to participate in exchange programs as a means to get the most out of their workforce development experiences is critical. Greater support for U.S.-Japan higher education workforce development initiatives, including investments in continuous improvement strategies, will help both countries grow their global and local economies.

Definitions and Data Collection

The U.S.-Japan Higher Education Engagement Study (USJP HEES) currently houses data on over 50 internship programs that are active between U.S. and Japanese universities directly through a partnership agreement with an institution or with a consortium agreement with multiple institutions. The Study's intent is to represent internship programs that are a part of U.S.-Japan higher education partnerships. ACE and JACUIE/JANU recognize that this list is by no means exhaustive and that there are many forms of internship programs not captured in the Study.

The Study's data does not include internship programs exclusively offered by placement agencies, unless they are acting as an intermediary on behalf of U.S. and Japanese institutional partners offering front-end assessment services, performance-consulting services, and other non-training services.

Findings

The Study found most internship programs between U.S.-Japan partnered institutions are built in as features of existing student exchange and research programs. This makes sense, in part, as there are visa restrictions set out by both governments on how students can participate in workforce development in both countries.

For the United States, the U.S. Department of State regulates how international students can engage in work or internships off-campus while affiliated with their U.S. university. U.S. universities have three possibilities for providing workforce development opportunities for Japanese students in the U.S. (TeamUp U.S.-Japan 2015):

1. Visa Waiver Program (VWP)

The VWP is intended for tourism or business stays of 90 days or less without obtaining a visa. Some internship activities are general enough to fall under this category, especially if they are designed to observe the conduct of business or other professional or vocational activity and if no salary is being paid.

2. J-1 Exchange Visitors

J-1 exchange visitors further U.S. foreign policy interests by increasing mutual understanding by means of educational and cultural exchanges. Only U.S. organizations approved by the Department of State Bureau of Educational and Cultural Affairs may sponsor J-1 visitors. Many U.S. colleges and universities are approved. There is a category of the exchange visitor program for college and university students meeting certain criteria and another for research scholars. If the relevant criteria are met, Japanese students can pursue academic training, a type of off-campus work authorization, for employment training or practical experience directly related to the student's current major specialty. Academic training may include, but isn't limited to, internships, practicums, and cooperative education (U.S. Department of State 2016).

3. F-1 Student Visa Holders

F-1 visas are academic in nature, intended for students pursuing full-time study in the United States. Examples of work or internships on an F-1 visa include on-campus employment, paid Optional Practical Training (OPT) in a job related to the student's major area of study either during or up to one year after graduation, and non-paid internships or observations in organizations and companies. A student on an F-1 visa may also be able to participate in a for-credit internship during his or her course of study.

In Japan, visa regulations require Japanese universities to arrange workforce development opportunities for incoming U.S. students based on the following requirements. Students can get permission to work only when they are enrolled in classes and only when it is clear that working is not adversely affecting their studies. Students must be enrolled in classes in order to be permitted to work and cannot take academic leave; this includes the summer semester. Students are capped on the number of hours (up to 28 hours) per week they are allowed to work during the semester and can only continue to work during semester breaks if they provide proof of being registered for the following semester. On semester breaks, students can work up to 40 hours per week.

The USJP HEES found many of the U.S. and Japanese university internship programs offer a combination of study or research along with practical workforce training with offerings throughout the academic year, including over the summer semester, for a duration from two to 12 weeks. In addition, most U.S. or Japanese internship programs require an advanced level of language fluency in order to pursue internship programs in either direction.

The following are examples of current U.S.-Japan higher education accredited internship programs.

Research Training Internships

The **Okinawa Institute of Science and Technology (OIST)** offers a fully funded research internship program for international undergraduate or recently graduated students interested in pursuing a PhD program at OIST. The internship program can be from two to six months long in duration. OIST is perhaps Japan's most radical attempt to reverse the academic slide of Japanese scholars leaving Japan (McNeill 2019). The graduate university has no departments: chemists, physicists, mathematicians, and biologists share laboratory equipment and resources. With about 50 percent of its faculty from outside Japan, it has one of the most diverse research cohorts of any university in the country (McNeill 2019). OIST opened in 2011, welcoming its first cohort of doctoral students in September 2012.

The **University of Tokyo Research Internship Program (UTRIP)** was launched by the Graduate School of Science (GSS) at the University of Tokyo in June 2010 to promote the internationalization of the GSS. UTRIP is an intensive summer research program targeted at undergraduates interested in pursuing an MS or PhD degree in physics, astronomy, chemistry, earth and planetary sciences, and the biological sciences. The program is open to students who are currently enrolled in the second or a later year at an accredited college or university outside of Japan and who are majoring in a natural science or related field.

The **Massachusetts Institute of Technology (MIT) International Science and Technology Initiatives (MISTI)** has an internship program—open to undergraduate and graduate students with no costs to the student—with placements ranging anywhere from 10 weeks to 12 months. Each year 30 to 40 MIT students intern and conduct research in Japanese companies, universities, and research institutes with specializations in numerous fields, such as electrical and chemical engineering, biotechnology, banking, telecommunications, pharmacology, and architecture.

U.S.-Japan Consortia Internships

Temple University, Japan Campus's (TUJ) internship and study abroad program supports U.S. students from its main campus in Philadelphia, but also provides placement and support for interns from over 300 colleges and university partnerships throughout the U.S. in Japan. Interns work for a minimum of 140 hours per semester (about 15 hours/week during fall/spring and 20 hours/week during the summer); most students do more. They earn three credits in one of the following departments: Asian studies, economics, international affairs, liberal arts, media studies and production, political science, or psychological studies. A faculty supervisor at TUJ oversees the internship, sets evaluation requirements, and meets with students throughout the semester. Some internships require Japanese language ability, but internship placements are available for students who do not speak or write in Japanese.

Japan Center for Michigan Universities (JCMU) is a consortium of the 15 public universities in the State of Michigan. As a part of the continuing sister state relationship between Michigan and Shiga Prefecture, in October 1998, an agreement was made with Shiga University to provide courses on their campus. Five years later, in 2003, a similar agreement was made with the University of Shiga Prefecture. JCMU offers a 12-week summer internship program in Japan that combines advanced Japanese language study and a nine-week internship placement. In addition, JCMU collaborated with TerraDotta to create a three-credit entrepreneurship course for JCMU students to pursue while working in teams with Japanese medical students from Shiga University of Medical Science to develop a concept for a medical product, device, or service along with a marketing strategy. Teams are given the opportunity to present their work to Japanese entrepreneurs and business people.

As part of **Kansai Gaidai University's existing exchange partnerships with U.S. institutions like Suffolk University**, U.S. students can obtain transferable course credits for participating in Kansai Gaidai's internship program. Students are enrolled in Kansai Gaidai's Asian Studies Program and can earn credits based on the number of accrued work hours (over 360 work hours earns 12 credits). Internship sites include business firms, public organizations, and local schools (Kansai Gaidai University 2020).

Blended Learning Internships

Kansai University and its U.S. partner institutions (see case study for details) are providing students the opportunity to enroll in Collaborative Online International Learning (COIL) courses as well as to go abroad before or after their COIL for a temporary, overseas employment experience. Students are provided the opportunity to participate in internships in line with specialized themes that further expand upon the collaborative activities of their COIL courses. The activities of COIL Plus Internship abroad programs are intended to support students in thinking about their potential with the viewpoint of overcoming geographic, language, and cultural barriers, as well as continuing to foster their development as the next generation of sought-after personnel. This blending of online and in-person exchange is designed to foster the growth of

students' global career mindset by positively incorporating business and corporate experience in a non-home environment during their stay in the partner country and learning through COIL. The program is supported by a consortium established by Kansai University, composed of organizations from the industrial and financial sectors, academia, the Osaka Prefectural Government, and the local community.

Conclusion

While there is strong belief on the part of higher education institutions in the value of international internships, recognition of this value by the business and industry sectors in both the U.S. and Japan vary. Creating strategies for enhancing existing partnership activities that embrace common goals of what is global workforce development is important for transforming how institutions, industries, and students think beyond the short-term necessity of hiring after graduation into the longer-term goal of producing global thought leaders. The ultimate gains for both the U.S. and Japan are rooted in the investment of human capital to attain the skills and qualities necessary to tackle the shared global challenges of the twenty-first century.

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