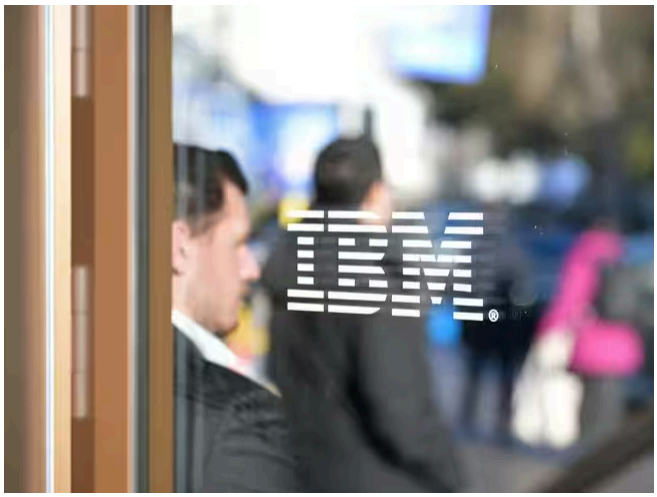
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IBM's H-1B move, US tech layoffs: Why is it getting harder for Indians to work and settle in America?

By Kumud, Last Updated: Nov 14, 2026, 12:08:00 PM IST

Synopsis
IBM's decision to halt H-1B and green card sponsorship for many US consulting roles raises significant concerns for Indian professionals seeking long-term careers in the US. As scrutiny on foreign worker hiring intensifies, maintaining employment and progressing towards permanent residency becomes a multifaceted challenge for affected workers, who must navigate complex immigration processes and uncertain job security.

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This action comes just a month after the US Department of Labor suspended eight major technology and IT outsourcing firms.

For Indian professionals hoping to build long-term careers in the US, securing a job is increasingly only one part of the challenge. Keeping that job, maintaining work authorisation and progressing towards permanent residency are becoming equally important concerns. **IBM**'s recent decision to discontinue H-1B and **green card sponsorship** for the majority of roles in its US consulting business has brought this uncertainty into focus.

This action comes just a month after the US Department of Labor suspended eight major technology and IT outsourcing firms— **Infosys**, **Tata Consultancy Services** (TCS), **Wipro**, **HCL Technologies**, Cognizant, Capgemini, Microsoft, and Adobe, from the Permanent Labor Certification Program (PERM). IBM Consulting, which employs more than 150,000 people globally, is not ending sponsorship across the entire company. However, employees covered by the decision reportedly have two options: either they continue working for IBM outside the US or leave the company by the end of 2026.

According to a Bloomberg report, the company said its participation in high-skilled visa programmes had declined over several years due to the changing skill availability and client requirements.

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The implications, however, extend beyond IBM. With US technology companies facing workforce restructuring, layoffs and increased scrutiny of foreign-worker hiring, Indian professionals face uncertainty both in finding sponsored employment and retaining it.

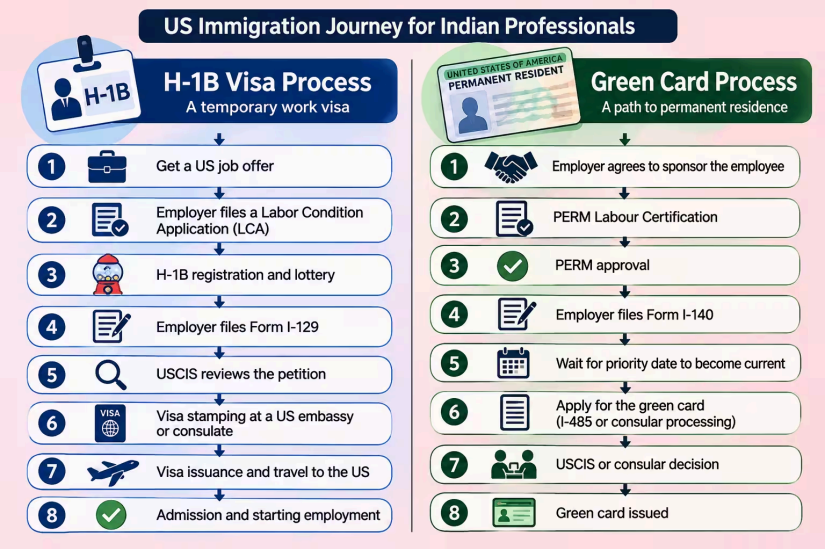
Existing H-1B workers are not automatically losing their status

IBM's announcement does not mean that existing H-1B visas will automatically be cancelled. However, the situation could change when employees need extensions or amendments to their petitions.

According to US-based immigration lawyer Shilpa Malik, "Existing H-1B holders can generally continue working under their approved petitions as long as their employment terms remain unchanged. If employment is terminated, workers generally have a discretionary grace period of up to 60 days, or until their I-94 expires, whichever is shorter, to find another sponsor, change status or leave the US."

"If the employer makes a policy to discontinue H1B going forward, that should impact the existing employees only when the time is due for their extension or for any amendments which are often necessitated by change in job locations," explained Rajiv S. Khanna, another US-based work and immigration lawyer.

The stage of a green card application matters



US Immigration Journey for Indian Professionals
(AI Generated image)

For employees pursuing permanent residency through IBM, the consequences depend on how far their applications have progressed. PERM is the labour certification stage, followed by the I-140 immigrant petition and, when eligible, the I-485 application for adjustment of status, which are basically forms filed with U.S. Citizenship and Immigration Services (**USCIS**) to sponsor a foreign national for a permanent employment-based green card in the United States.

"Priority dates can be retained only after I-140 approval. An approved PERM alone does not secure this benefit," Khanna said.

"An employer cannot simply transfer an existing PERM application to another company. If IBM withdraws sponsorship before I-140 approval, the employee may have to begin the process again with a new employer," Malik said.

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However, an approved I-140 puts employees in a stronger position. They can generally retain their priority date when changing employers and may qualify for H-1B extensions beyond the six-year limit, subject to applicable conditions.

For employees whose I-485 applications have remained pending for at least 180 days, American Competitiveness in the Twenty-First Century Act (AC21) portability rules may allow them to move to another employer in a same or similar

occupation without restarting the green card process.

Finding another employer does not solve everything

An H-1B transfer and a green card transfer are different processes. While an eligible H-1B holder can move to another employer, the new company generally cannot take over IBM's existing PERM or I-140 sponsorship.

Malik said employees without qualifying I-485 portability may need a new employer to restart the PERM and I-140 stages, although an earlier approved I-140 priority date can generally be retained.

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"Employees with pending I-485 applications and leaving the U.S. without valid advance parole - or a qualifying H-1B travel exception - will automatically abandon their green card application. Additionally, if an employer withdraws an I-140 at least 180 days after approval, USCIS will not automatically revoke it, though the worker still needs a valid permanent job offer to eventually finalise residency," she said.

Immigration restrictions add to employment uncertainty

The pressure is not limited to corporate decisions. The US administration has tightened scrutiny of H-1B hiring and employer-sponsored permanent residency. Its September 2025 announcement of a $100,000 charge on certain H-1B applications has also faced legal challenges as the $100,000 H-1B fee extension signed through September 21, 2027, is currently blocked and not being enforced due to a federal court order.

In 2025, approximately 70 per cent of approved H-1B petitions involved beneficiaries born in India. IBM's own H-1B petition approvals stood at 1,611 in fiscal year 2026, compared with 455 in 2025 and nearly 3,000 in 2024. These figures cover IBM as a whole, including amended and extended petitions, rather than new hires alone.

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For Indian professionals, the combination of employment uncertainty and immigration dependence makes long-term planning more difficult.

Malik advises on workers to secure I-140 approval where possible and obtain written clarity from prospective employers on green card sponsorship timelines. "They should also look at filing employer-independent petitions such as national interest waiver and extraordinary ability aliens. EB1A," Khanna said. Hence, both lawyers also point to independent routes such as EB-1A and EB-2 National Interest Waiver for eligible applicants.

"IBM's move exposes a structural vulnerability in the US employment-based immigration system," Malik said.

IBM's decision does not mean that opportunities for Indians in America have disappeared. A professional's ability to remain in the country and pursue permanent residency can depend heavily on an employer's willingness to continue sponsorship.

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