# **Ready for Prime Time?**

How Internships and Co-ops Affect Decisions on Full-time Job Offers.



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ACCOUNTS OF THE OWNER.



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# **EXECUTIVE SUMMARY**

Today's interns and cooperative study students (co-ops) take their experiences very seriously in an effort to ground their career plans and to test their skills and competencies in "real world" settings. Many claim to want challenging and interesting jobs, yet they may not be ready nor display the behaviors to plan and succeed in those positions. On the one hand, interns and co-ops believe they work hard for their employers and in return receive support, to understand their role in the workplace. This effort is off-set by behaviors that appear self-absorbed (job surfing, reneging on offers, and living at home) that reduce their commitment to organizations. These behaviors concern employers who are trying to use their co-op and internship programs as strategic tools in workforce succession planning.

This white paper explores an important question of how employers can leverage their interns and co-ops into full-time employees. The paper describes results from nearly 2400 interns and co-ops on their perceptions, attitudes, and reaction to their intern/co-op experiences. The project was a joint effort between MonsterTRAK and the Michigan State University Collegiate Employment Research Institute (CERI). The purpose of the study was to provide information to employers on the decision-making factors of interns/ co-ops who are considering whether to accept a full-time employment offer. This information can be used to improve internship and co-op programs and to help organizations retain young talent.

# What You Will Learn from the Survey:

I. Nearly 65% felt very satisfied with their internship or co-op experiences. However, their primary recommendation to employers on improving internships and co-op programs was to insure an interesting and challenging work assignment for all interns and co-ops.

2. From our decision-making model on whether to accept a full-time offer after completing one's internship or co-op the decision depends on the students' satisfaction with their work assignments, the level of supervisor support that they received, and how well the organization fulfilled their obligations promised at the onset of the experience. In selecting specific characteristics associated with a position or organization, students focused on these aspects when weighing their decision: ability to establish their career, interesting and challenging assignments, competitive starting salary, fun and friendly work environment, potential for advancement, and good benefits.

**3.** Supervisors play a critical role in shaping job satisfaction and meeting obligations. Their impact on the decision to convert to full-time employment works indirectly through satisfaction with the work assignment and the employer's fulfillment of obligations.

**4.** Young adults hold a belief that they will try several jobs (surf) before committing for a longer tenure with an organization. Those who expressed a higher tendency to job surf indicated they would be more willing to accept an offer of employment upon completion of their internships. Employers need to exercise caution in extending extremely early offers; as early acceptances run the risk of being reneged later in the academic year.

**5.** Recent interns and co-ops make two recommendations to improve internship and co-op programs. First, they would like to see more training prior to starting their assignments. Second, more career guidance from supervisors, mentors, and co-workers would help them understand their opportunities, potential, and fit within the career path bounded by their internship experience.

# **INTERNSHIPS AND CO-OPS: Strategic Tools for Acquiring Talent**

Companies and organizations have found that their internship and co-op programs are one of the most effective recruiting tools to acquire promising and talented new employees. Employees responding to MSU's annual college hiring survey reported that 50% of their new hires completed internships or co-ops within the company and an additional 40% interned with another organization (Recruiting Trends, 2004-2005). Ninety (90) percent of a company's new hires will have had work-related experiences prior to matriculating into the workplace. Some companies have stated they will not consider a candidate for employment who has not completed an internship.

Human resource managers in the same study confirmed the advantage of internships based on the return on investment attributed to these programs. Companies spend approximately 20%, on average, of their human resource recruitment budgets towards recruiting college talent. These funds are distributed over various activities including 12-15% to manage co-op/internship programs (may not include intern/co-op salaries in some cases); compared to 15% to attend job fairs, 21% to sustain on-campus recruiting, and 30% to post positions through national web job boards. Nearly 80% of these managers indicated that the return of investment for internships and co-ops was "good to excellent". This was the highest rated recruiting strategy (the next highest was on-campus recruiting at 75%).

Among all this good news about internships resides a perplexing problem. Nearly two-thirds of employers reported limited to moderate success in converting their interns and co-ops to full-time hires. A company does not expect to convert all their interns/co-ops as some do not fit into the organization ----either they do not posses the required skills or they do not mesh socially and culturally into the organization. Likewise interns/co-ops reject offers for similar reasons. They find another organization which is a better match for their skills, values, and interests. There is no predetermined bench mark on an "acceptable conversion rate" though most companies would like to retain 50% to 70% of their interns and co-ops. While the average conversion rate in our study (Recruiting Trends, 2004-2005) was 50%, this figure was met by only 35% of the respondents. For the remaining employers the unanswered question was "How do we improve our conversion rate?"

The question was addressed in this study by drawing upon our understanding of the socialization of organizational newcomers and their retention and turnover; topics which have a robust research literature. We adapted work by Rousseau (1990, 2000, and 2001) on the role of psychological contracts between employers and employees. Psychological contracts are defined as implicit and explicit promises made between an employer and employee. In the case of an internship, contracts connect the parties together over the duration of the work experience. If the contracts are believed to be fulfilled, the intern will feel attracted to and accepted within the organization. These positive outcomes would lead to a higher probability that a job offer would be accepted.

Closely associated with the employer side of the contact is the intern/co-op supervisor whom the intern/co-op relies upon for information, training and support during the work period. Interns depend on their supervisors to carry out their assignments which are part of the contractual obligations they agreed to at the outset of the internship. The supervisor establishes and maintains the employer side of the contract. A supportive supervisor can enhance the job satisfaction experienced by the intern, as well as lay the foundation for the desire to work full-time with the company (Knight, et al., 2006)

Young adults list interesting work as the most important factor in their consideration of employment opportunities (CERI, 2007: What Do Young Adults Want?). The nature of and the satisfaction with their work assignments as interns will influence their decision to commit to an organization. (Tate, Whatley and Clugston, 1997)

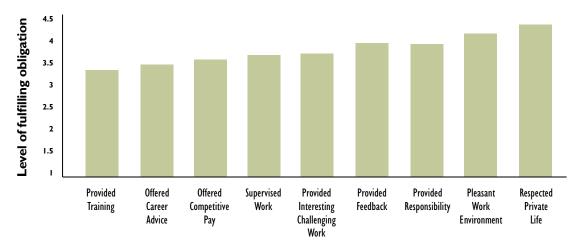
We built this study around these concepts to see how they influence an intern's or co-op's willingness to accept an offer of full-time employment from host employers. In the spring of 2008, an initiative sponsored by MonsterTRAK, was launched using an electronic survey, and collected data from nearly 2,400 recent interns and co-ops. The purpose of the survey was to identify important factors in college student decisions on whether to accept or reject offers of employment from their internship and co-op employers. Results from the survey are described here in four sections: (1) employer obligations, (2) supervisor support, (3) job satisfaction, and (4) willingness to accept a job offer. The report concludes with some suggestions, directly from the students, for improving internships and co-ops. A general description of the survey respondents is found in the end notes.



# **EMPLOYER OBLIGATIONS: Fulfilling Promises**

Nine survey questions were used to tap into the interns' or co-ops' belief that their employers fulfilled the explicit, as well as the implicit, promises about the conditions of the experience that were made upon entering the assignment. Conditions that were measured on a 5 – point scale (1-"not filled" to 5 – "very well fulfilled") included providing interesting and challenging work, providing sufficient level of responsibility, offering feedback on performance, supervising work tasks, and providing a pleasant, collegial work environment. Several personal conditions were included, such as respecting interns' private life, sharing career development advice, and providing training before starting assignment. For interns/co-ops who were being paid (approximately 2/3 of the respondents), an additional question focused on offering competitive pay.

Figure 1 describes how interns/co-ops responded to these conditions. In two cases, respected my private life and provided a pleasant collegial work environment, respondents reported that employers fulfilled these obligations "mostly" to "very well". A third item, providing sufficient responsibility in work assignment fell very close to the "mostly fulfilled" mark. The remaining conditions fell in the "moderately" to "mostly fulfilled" range. In general, students perceived employers fulfilling their promises. However, in two cases, approximately 25% of the respondents were unhappy about the amount of training they received and the lack of career advice offered by their hosts. These two conditions clustered at the "moderately fulfilled" mark. For interns and co-ops receiving compensation about 20% complained that their salaries were not competitive and another 20% indicated salaries were only moderately competitive.



Employer Fulfilling Promises on Conditions of Work to Interns and Co-ops.

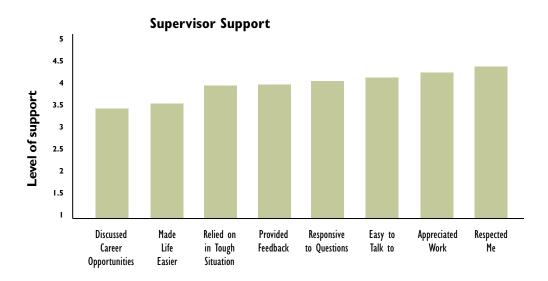
We were able to integrate all nine questions into one scale (reliability coefficient = .874) which was named employer obligation. The scale could range from 0 to 45. The average employer obligation score was 34 with a range from 9 to 45. This scale was used to identify any differences based upon respondent characteristics. We found no significant differences among men and women, type of school attended (public vs. private), or grade point average. The size of the company did not influence employers' meeting their promises, though the statistics suggested that larger companies tended to have higher scores.

Only one significant difference was found when comparing academic majors across colleges: Engineering, Business, Science, Computer Science, Social Sciences, Humanities, etc. Engineering interns and co-ops rated employers higher on fulfilling promises than other majors (t = 238, p = .017). The signs on the statistic suggest that students from Health, Liberal Arts/Humanities, and Social Sciences show a tendency to rate employers lower on meeting their promises during an internship or co-op.

# **SUPERVISOR SUPPORT**

Supervisors play a critical role in the development of young talent within an organization. Research in the co-operative education literature has documented the connection between a student's success in their assignments and the involvement of their supervisor. We built upon this research, as well as the broader supervisor/manager literature, by including seven questions on the support the intern or co-op received from their supervisor. Items tapping this support include: being easy to talk to, can be relied on when things got tough at work, being responsive to requests, discussing career opportunities, providing feedback, making life easier, and respecting the intern. Each question used a 5 - point scale (1 - not at all to <math>5 - very well).

Figure 2 shows that interns/co-ops felt they received very strong support in several key areas: respecting the student, appreciating their efforts, being easy to talk with, and being responsive to questions and concerns. Interns reported that they were less likely to see support in the areas of providing career advice and making life easier for the student during the time spent in the organizations



We constructed one supervisor support scale from the seven separate questions (reliability coefficient = .932). The score could range from 0 to 40. The average score was 32 and ranged from 8 to 40. We found no significant differences in supervisor rating by gender, grade point average, type of school, and size of company. Academic major also proved to be non-significant; however, the direction of the signs associated with Health and Computer Science students showed that they rated supervisor support lower than other students.

Two interesting differences were revealed:

• Seniors, at the time of study, rated their supervisors higher than juniors and recent graduates (Mean = 32.5). Recent graduates, those who had completed their degree and left their institution during the period covered by the study, reported the lowest level of support (mean 30.5) (F= 5.65, p =.00).

• Supervisors from government agencies were rated more supportive than other employers (t = 4.243, p = .000) while supervisors from non-profits were rated as less supportive (t = 2.835, p = .005).

# WORK ASSIGNMENT: Satisfaction with Job

College students consistently list interesting and challenging work as the most important characteristic they seek in a job. (CERI, 2007: What Do Young Adults Want?). We anticipated that having an internship or co-op that challenged the student as well as engaged them in interesting work would probably lead to a higher intention to accept a position.

The Job Descriptive Index (JDI) was used to measure satisfaction with their internship/co-op assignment. The JDI consists of eight words that describe the work setting as enjoyable, undesirable, and excellent, for example. Respondents selected from yes, no, or not sure as possible responses. The scores are tallied and coded using the accepted weighting system. The job satisfaction index had a range from 0 to 24. The average score was 20 -- in other words, students reported a high level of satisfaction with their work assignments. Only 11% rated their experience below the scale mid point (12 points or below); 24% rated their job satisfaction between 13 and 19 points, and 63% placed job satisfaction between 20 and 24 points.

# **ACCEPTING A FULL-TIME OFFER**

The student's intention to accept or reject a job offer from their host was captured in several ways. For the analysis presented here, we used the question: "If upon graduation, you were offered a full-time position with your organization you most recently interned or co-oped, what is the likelihood you would accept the position?" Respondents were asked to mark on a scale starting at zero (0) for "not at all interested in accepting" to 100 for "definitely will accept an offer" The average response on the scale was 60 which indicated that students were reasonably interested in working for their internship/co-op employers. Approximately 48% expressed a 75 to 100 certainty they would take a position; only 22% would refuse outright an offer (below a score of 25).

The following ranking illustrates the likelihood of accepting an offer from different economic sectors (only sectors with more than 100 Interns/co-ops responses are shown).

| Energy/Utilities      | 66.4 | Manufacturing   | 59.6 |
|-----------------------|------|-----------------|------|
| Information           | 63.9 | Health Services | 59.2 |
| Finance               | 63.0 | Education       | 58.2 |
| Government            | 61.9 | Retail          | 55.1 |
| Arts & Entertainment  | 60.9 | Non-Profit      | 53.8 |
| Professional Services | 59.9 |                 |      |

In the next step we identified specific factors that influence a student's likelihood of accepting an offer. In this analysis, students who were already in graduate school (approximately 10% of the sample) were excluded because their educational plans precluded them from accepting job offers.

*Employer obligation.* Interns and co-ops who reported higher scores on the employer obligation scale were more likely to accept an offer of employment. For every point improvement in their obligation score, the likelihood of accepting a job offer increased by two points. If we look at the components of an employer's obligation scale, we can key on the obligations pulling the conversion score up or down.

Four obligations contributed positively and significantly to conversion. Interns and co-ops in paid positions who perceived that they were being paid fairly for the work they were doing were more likely to accept a position. If the pay received during the internship or co-op was viewed as competitive to similar positions in other organizations, respondents reported higher acceptance scores..

Two factors appeared to dissuade interns and co-ops from accepting an offer and we are not quite sure why. First, interns and co-ops reporting that employers fulfilled their obligations to provide sufficient responsibility in assignments were more likely to not accept an offer. Possibly these students gained the confidence to pursue more competitive positions. The item "respected me" also moved in the direction opposite of what we expected. The higher an intern rated this item, the less likely they would accept an offer.

*Supervisor Support.* Supervisory support to interns and co-ops is positively related to a higher likelihood of accepting a full-time position. For every one point increase on the supervisor scale, the likelihood of converting to full-time increases by 1.5 points. Three items of supervisor support play a significant role in shaping a student's decision. By being responsive to questions and by providing feedback on performance, the supervisor helps guide the intern/co-op and contributes to a successful experience. Furthermore, a stronger relationship was found between discussing career opportunities with the intern and accepting a job offer. Students are avid seekers of career advice to confirm their career choice and identify opportunities for employment.

*Job Satisfaction.* The bottom line in the decision to accept an offer rests on whether the interns/co-ops were satisfied with their work assignments. Job satisfaction has a very strong influence on conversion. For every point improvement in satisfaction, the likelihood of accepting an offer improves by 2.7 points. In the next section, the work assignment is singled out as the critical factor in their decisions and is the focus of the recommendations for improving co-op and internship programs.

Young Adult Attitudes and Behaviors. Our work on young adults has identified several behaviors and attitudes that shape how 22 to 30 year olds approach the workplace. These characteristics were examined to see how they influenced the conversion decision.

- Surfing. Job surfing describes the behaviors of young adults trying out different jobs for short periods of time before settling into a permanent position. Young adults are testing different positions to find the best fit to their interests, skills and values. This behavior has a strong negative impact on converting to full time employment. Students who exhibit (or say they will surf) this behavior are more likely to reject an offer.
- Career Plans. Students with better formed career plans, likely influenced by their internship/co-op, are more likely to accept an offer or employment.
- Career Concerns. Those interns or co-ops who feel pressure to find the right job or have concerns that they will not be able to find a job that interests them or utilizes their skills are more likely to accept an offer. A good internship/co-op can reduce anxiety and uncertainty of the job search and lead to an early acceptance of an offer.
- Work-Life Identity. As work becomes a stronger influence in shaping an individual's identity - work defines who I am - the more likely they will accept an offer of employment.
- Reneging. Many students apparently have no qualms about reneging on a job offer that they have accepted to take a better offer later. Those students who expressed an attitude that they would renege are more likely to accept an offer of employment. However, this acceptance is no guarantee that the acceptance will be honored. Employers, who are extending offers early, even during the junior year, should do so with knowledge that students may decline the offer at a later point. Employers report that, on average, 10% of job offers accepted are later reneged. Some companies are reporting much higher levels of students rescinding their acceptances when presented with another offer (CERI, Recruiting Trends, 2008).

**Demographic Considerations.** We examined relationships between various background characteristics: gender, grade point average, and race, academic major and economic sector that hosted the internship or co-op, and the decision to accept a job offer. Three significant relationships were observed:

- Men were less likely to accept an offer than women.
- Caucasian students were less likely to accept an offer than non-white students.
- Students who interned with non-profit agencies were less likely to accept an offer than those working in government
  or for-profit sectors.

# What Really Drives Acceptance Decisions?

The previous comparisons looked at simple correlations between the likelihood to accept an offer and a specific background item. A more complicated question is to ask which of these aspects contribute the most to our understanding of what influences an offer acceptance. To answer this question, a regression analysis was conducted in which all the predictors were included. The analysis excluded those students in graduate school because they did not accept pending offers; choosing to pursue additional education. In the first reiteration, only interns and co-ops in paid positions (n=1666) were included in the analyses.

Six variables emerged as significant predicators on the decision to accept an offer upon completing an internship or co-op. Job satisfaction emerged as the strongest predictor; where employers provided interesting, challenging engaging work assignments the likelihood of converting to a full-time employee increased significantly. When employer obligations are fulfilled interns expressed a greater commitment to accept the offer.

The remaining four contributors concern behaviors held by or characteristics of these interns and co-op students. First, Caucasian students are less likely to be interested in accepting a position with their employer. In addition students who revealed they will try several jobs before settling into a position for longer tenure (surfers) are also less likely to accept an offer. Those students who receive support from their parents and can return home after graduation also appeared less likely to accept a position.

The behavior of reneging appeared significant but this time those who expressed a willingness to renege upon obtaining another offer were more interested in accepting an employment offer when they finished their internships or co-ops. These students may be collecting offers for future comparison or simply want to hold on to a sure thing before a better offer comes along. Employers who are eager to extend offers early may want to be cautious because early acceptances may turn into end of the year turndowns.

### List I. Top Predictors Positively Influencing Decision to Accept a Job Offer (regression)



- Satisfaction with work assignment
- Employer fulfills obligations to intern/co-op
- Young adults who do not intend to surf jobs after graduation
- Young adults who do not live with parents
- Young adults who will possibly renege on the offer later
- Non-white interns and co-ops

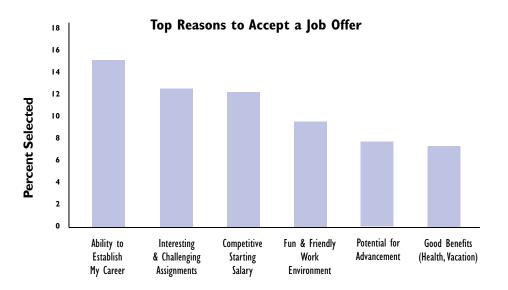
For those interns who were involved in non-paid work assignments (n = 705), the predictors for accepting an offer were slightly different. The two most important predictors that improved the likelihood of accepting an offer were job satisfaction and the employers fulfilling their obligations. Two factors were more likely to reduce interest in accepting a position. First men were less likely to accept a position from employer where their work was not remunerated. Students who could return home after graduation were also less likely to accept a position with their intern employers.

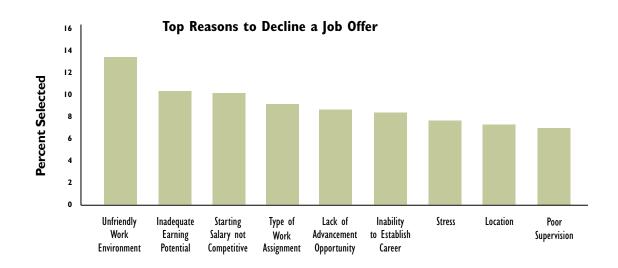
# **ACCEPTING OR DECLINING AN OFFER: The Bottom Line**

To determine what factors are weighted the heaviest in the decision to accept or decline an offer of employment, respondents were presented a list of eighteen items and asked to select the single most important factor in their decision. It is understood that multiple factors commonly come into play in any decision; yet, this exercise tried to coax out the really important factors.

All 18 factors were marked by a least one respondent as the primary factor to accept a job offer. One factor "ability to establish my career" received the highest number of selections at 362 (15.3%). Following at 12% were the factors "interesting and challenging assignments" and "competitive starting salary." The top six criteria for accepting a job offer are listed below. They were clearly separated from all the other factors.

Reasons for declining an offer clustered closer together and were more numerous in influencing the decision, "Unfriendly work environment" was the most frequently selected factor at 13.4% (317 selections). Two salary related items; "inadequate earning potential" and "non-competitive starting salary appeared next." The remaining criteria for rejecting an offer revolved around the lack of career opportunities and work environment issues.





# **SUGGESTIONS FOR IMPROVING INTERNSHIP & CO-OP PROGRAMS**

An opportunity was provided for respondents to make suggestions on how to improve the internship or co-op experience. These respondents did not hesitate to make some observations that they believed were reasonable. While the range of suggestions was broad, several themes were repeated frequently: provide training; offer responsible, challenging opportunities; and provide helpful guidance from a supervisor.

Students recognized they often do not have the experience to jump into the workplace without some initial training, as this student revealed:

"In general, companies need to understand that most students have a limited amount of professional work experience and request some training. It can be very stressful and over whelming for the student to begin an internship or co-op for the first time and that should be taken into consideration because college allows students to develop analytical skills but often do not prepare students for a specific industry."

Not getting off on the right foot can place a student in an uncomfortable situation as this student reported:

"Training is definitely important. I had none. The day I started I was just told to do certain things and I was never told how to. Because I told my supervisor that I wasn't sure how to do something, from that day on she kept assuming that I didn't know how to do anything. I felt she was always gossiping about me to other employees. She would give me weird looks and talk extra slow when giving me a task."

A big fear among perspective interns is that they will be relegated to a "glorified gopher"; as one student commented. "The last thing I want is to file papers and fetch coffee." From the previous section, students expressed the importance of the work assignment in their decision-making. Thus, many of the suggestions focused on insuring that the work was challenging, interesting, and would give the intern responsibility. Sometimes, even meeting these conditions, the outcome may not be what the employer desired. As this comment revealed:

"My co-op helped me learn that I really didn't want to do engineering and led me to switch to physical therapy. That said, my co-op was very good --- I was given my own responsibilities (allowing me to make a contribution to the company) and my coworkers and supervisor were accessible. The most important thing an employer can do is give students interesting projects that they are responsible for. Also make sure there is enough work when other people are on vacation."

Student's expectations for an internship or co-op are to have "real world experiences" that can prepare them for their career. Encouraging menial tasks leads to grumbling and soon other students learn of the poor quality of the assignments in a particular organization. Bad word of mouth can set back a company's internship program. So heed this student's advice:

"Give us more responsibility and not use us to answer phones, get coffee, or run a copy machine. Give us an opportunity to be immersed into daily operations with assignments that are part of career. I was lucky to obtain an internship that gave me hands on experience; as well as, giving me the opportunity to be part of the decision making process of the company. "

A supervisor can make or break an internship or co-op experience for a student. Managers of an organization's internship or co-op programs need to invest time in training potential supervisors of interns and co-ops so that they know how to engage young adults effectively. The consequences of poor supervision impact both the organization and the student.

"My first internship turned me off to the Human Resource field, because my supervisor didn't communicate well and didn't set clear expectations. She was never around to guide or direct me in my work. My recent supervisor was amazing. She let me know what she needed. If I made a mistake she was patient. She expected a lot from me, but was always giving me feedback. I've never had such a wonderful job experience in my life."

#### Further, as another intern commented:

"The company was good at making people feel welcome, but I just feel I had a manager who wasn't particularly adept at social interaction, so I had a more awkward time during meetings and 'getting my bearings' whereas with a different supervisor, my impression of the company would most likely be completely different."

#### On intern described the perfect manager (probably all employees wished they had one) on these terms:

"Ensure that the intern has a fantastic manager. A manager who is highly intelligent, pleasant to work with, who is demanding but not over-bearing, and who actually knows how to manage staff/interns. The intern will look to the manager to set the tone on how they should behave at the organization and how much time and energy they should commit to the internships. Company should select an excellent manager for interns."

Some student recognized it was not always possible to have a perfect manager or supervisor. They suggest companies match each intern/co-op with a mentor who can provide the personal guidance and support needed during the assignment period.

#### "We (interns) were matched with mentors who had time to meet with us regularly and guide us through projects".

The remaining issue concerns pay or lack of pay during the internship. Students want consistency in pay; for some it may mean higher wages that correspond to the level of work being done. One intern stated "we are not slaves." Students in unpaid internships recognize that nonprofits (the typical provider of unpaid experiences) are not in a position to pay wages but they would like stipends to cover transportation and other out-of-pocket expenses associated with the assignment.

In concluding this section we can summarize through the writing of one student who has held five internships prior to graduation. She listed what she thought worked best:

- 1. Rotate the intern through various parts of the department or provide opportunities to work with people by rotating supervisors.
- 2. Treat the intern like a real member of the team and not just a temp employee.
- 3. Provide meaningful work.
- 4. Introduce the intern on first day to those in the organization who sit around her, who will be working with her, who she will pass in the hallway. When I was introduced to everyone on the floor, one by one, I felt welcomed.
- 5. Provide informational interviews and advice that is career relevant.
- 6. Invite students to attend meetings of professional organization with you if the intern has not gone before.
- 7. Pass along contacts that the intern can network with, especially within the organization (other departments).
- 8. Make sure the internship supervisor holds his/her responsibility of supervising the intern as an important piece of his/her job. Many "higher-ups" do not have time for interns. Many people who work under them do have time for an intern. Just put them in charge. Face time with "higher-ups" is hard to get and the intern needs more guidance than (manager) can give.
- 9. Provide mentoring to intern, not simply supervision
- 10. Take the intern to lunch on first day (manager responsibility) regardless of how busy.
- Have patience, the intern needs to learn the company faster than you did (you had six months to ramp up the intern will be gone in six months).
- 12. Have an internship binder that provides information on where to find resources important to the intern's job, including phone numbers of colleagues.
- Provide interns with job descriptions, base her performance on how well she completes what's in the description (you'd do this for your 'real' employees, right?).
- 14. Give feedback in a timely and respectful manner.
- **15**. Offer assistance in finding a position if you can not hire the intern; be up-front if you know you cannot hire at the end of the internship assignment.



#### This student's final thought underscores the value of a good internship experience in an organization.

"Remember, your interns are potential internal clients, external clients, and members of the same professional groups as you. Do you really want to give a bad impression? Some organizations forget that the intern will eventually have a full-time job and can remain a beneficial contact (or cost you clients). There are several internships supervisors that I would actively withdraw my business from if I were in a position to do so in a company based on how poorly they treated me as an intern."

## SUMMARY

# **Results from the study revealed the following key points:**

To improve the conversion rate from intern/co-op to full-time employee, organizations need to anchor their programs in solid, professional work assignments that place responsibility on the students with interesting and challenging work. To insure the success of their interns and co-ops, organizations must rely on supervisors and mentors who can work effectively with young adults, providing guidance and support. Organizations can provide interns/co-ops with realistic job previews that will clarify work expectations and maximize the fit between what the intern/co-op wants and what the employer can provide. Managers, supervisors, and mentors can be trained from these previews to target the best means of supporting their interns/co-ops.

Fulfilling the obligations, both explicitly and implicitly stated when the interns/co-ops are recruited, employers establish the foundation for retaining these students in the organization. Organizations can evaluate their programs to ensure that interns/co-ops are treated like other new employees; that employers understand the way that interns/co-ops contribute to the organization and the role they have in workforce succession within the organization.

Students seek opportunities with non-profits because they are passionate about the issues that concern non-profits. Students expect unpaid or low paying internships; they accept that. What concerns them is the level of support from supervisors. The implications are far reaching as poor support leads to lower job satisfaction and reduced fulfillment of obligations. Non-profits should examine their internship offerings to see how they can assist managers and supervisors to work better with their interns.

Young adult behaviors shape their commitment to an organization. Young adults who will surf through several jobs are not bound to organizations by any sense of loyalty or commitment. Reneging on an offer is an extreme, but common, example of this behavior. If organizations are not loyal to their employees, young adults question why they should be loyal in return. Managers and supervisors may want to emphasize how the organization values employee commitment and demonstrate this daily during the time the intern is with the organization.

The lack of training prior to starting the internship is a major concern for students. Organizations that provide a short training session at the beginning of the assignment may be able to attract more of their interns to full-time employment.

Some interns and co-ops do not have firm career goals or plans; some want to confirm their career choice through their internship experiences. They seek career guidance while on their assignment to help identify the opportunities their career paths can take; to determine how well they fit into an organization; and to strengthen their professional skills. These interns/co-ops may also be attracted to organizations that provide career guidance.

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# **RESEARCH PARTNERSHIP**

#### About MonsterTRAK

MonsterTRAK is a leading online resource that connects college students and recent graduates with employers looking for qualified entry-level and internship candidates. With more than one million registered users, employers gain extensive reach, and today's emerging workforce benefits from MonsterTRAK's suite of career development tools designed to help them highlight their strengths and identify the best opportunities. Additionally, college and university career centers are able to showcase specific, relevant opportunities to students based on their individual interests using Career Ad Network, Monster®'s patent-pending job syndication technology.

Founded in 1987 as JobTRAK, MonsterTRAK was acquired by Monster, the leading online global careers and recruitment resource, in 2000. More information is available at www.monstertrak.com or by contacting us at 1-800-999-TRAK.

#### **About Monster**

Monster is the leading global online career and recruitment resource. A division of Monster Worldwide, Monster works for everyone by connecting quality job seekers at all levels with leading employers across all industries. Founded in 1994 and headquartered in Maynard, Massachusetts, Monster has 34 local language and content sites in 32 countries worldwide. More information is available at www.monster.com or by calling 1-800-MONSTER.





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Monster Intelligence provides groundbreaking information and custom market analysis to help Monster customers make informed decisions about today's most pressing human capital issues. By analyzing and collecting data from over 3.3 million unique job searches performed on Monster each day, Monster Intelligence provides insight to help HR professionals improve recruiting success, leverage best practices, accelerate worker performance, and retain top talent. For more information, visit http://intelligence.monster.com or call 1-800-MONSTER, extension 6513

#### About Collegiate Employment Research Institute (CERI) at Michigan State University

CERI, established in 1985, is nationally recognized for its research on the transition from college to work; employment readiness of college graduates; and the transition experience through college ("the sophomore year"). The Institute is also involved in the assessment of learning in the workplace; assessment practices for University accountability (outcome assessment); and evaluation of integrated learning opportunities. CERI annually publishes Recruiting Trends that provides an analysis of the college labor market. For information on the Institute visit http://ceri.msu.edu,or call us at 517-355-2211.

#### About Dr. Phil Gardner

Phil Gardner is the Director of the Collegiate Employment Research Institute at Michigan State University. Prior to joining MSU, he was on the faculty at the University of California, Riverside. His primary research interests cover the transition from college to work, early career dynamics of young adults, impact of co-curricular activities on career aspirations and achievement, and college labor markets. Dr. Gardner has published his work in a variety of publications and speaks frequently on college campuses and before employer associations. He received the Academy of Management award for Outstanding Publication in Organizational Behavior (with Dr. Chao) in 1995. Dr. Gardner currently serves as senior editor of the Journal of Cooperative Education and Internships.

#### About Dr. Georgia Chao

Georgia T. Chao is Associate Professor of Management at the Eli Broad College of Business at Michigan State University. Prior to joining the MSU management faculty, she was Section Head of the Department of Management at the General Motors Institute. Her primary research interests lie in the areas of career development, organizational socialization, and cultural issues in organizational behavior. Dr. Chao has published a number of articles in these areas and has conducted training and applied research at General Motors, Ford, AT&T, Singer, and other organizations. She received the Academy of Management award for the Outstanding Publication in Organizational Behavior in 1995 with Dr. Gardner. In 2000, she was named a Fellow of the American Psychological Association and the Society of Industrial and Organizational Psychology. Dr. Chao currently serves on four editorial boards.

#### About Dr. Jessica Hurst

Jessica Hurst is Assistant Professor in the Department of Apparel, Educational Studies and Hospitality Management at Iowa State University. Her doctoral research, conducted while in residence at Michigan State University, focused on improving the conversion rate of interns in the retail sector. This work served as a pilot for the extensive study reported in this paper. An article, The Dynamics of Increasing Internship Conversion Rates Practical Implications for Retail Business, will be published in the Journal of Cooperative Education and Internships in the fall of 2008.

# **GENERAL DESCRIPTION OF SURVEY RESPONDENTS**

Table 1. Describes the interns and co-ops who participated in this study. Most of the respondents are seniors, female, attending a public institution. Respondents come from a variety of different backgrounds and experiences.

#### Table 1 Respondent Characteristics: Number and Percent ()

| Class Level               | Race                            |
|---------------------------|---------------------------------|
| Sophomore: 241 (10)       | Black/African-American: 218 (9) |
| Junior: 463 (19)          | Asian/Asian-American: 339 (14)  |
| Senior: 991 (42)          | Hispanic/Latino(a): 119 (5)     |
| Recent Graduate: 417 (11) | Caucasian: 1606 (68)            |
| Graduate School: 259 (18) | Other: 79 (4)                   |

#### Gender:

| Males: 858 (36) | Females: 1513 (64) |
|-----------------|--------------------|
|                 |                    |

#### Type of Experience:

| Internship: 1874 (79) | Co-op: 497 (21) |
|-----------------------|-----------------|
|-----------------------|-----------------|

#### Type of Institution:

| 2 year college: 84 (4)  | Small Private: 477 (20) |
|-------------------------|-------------------------|
| Large Private: 283 (12) | Small Public: 285 (12)  |
| Large Public: 1231 (52) |                         |

#### Grade Point Average:

| 2.5 and Below: 79 (3)  | 2.51 to 2.99: 343 (15)    |
|------------------------|---------------------------|
| 3.00 to 3.49: 862 (36) | 3.50 and Above: 1087 (46) |

Note: Not all categories total to 2374 due to missing data.