

Want a Win, Win, Win? Try Management Internships.

## **Abstract**

Studies have researched the benefits student internships offer students and employers, but limited research, has looked at the benefits internships might lend to educational institutions. Typical research examines student performance after the internship experience and employer satisfaction from internship outcomes. This research looked for evidence that educational institutions benefit. These benefits are financial, academic, community service and economic development. A survey instrument was developed and sent to 619 deans of all U.S. business programs. They were asked to forward the survey to the person with the most knowledge about their institution's internship programs. Twenty Nine percent replied.

## **Introduction**

In 1906 the University of Cincinnati started offering the a program that is the ancestor of today's internships. Now, 91% of colleges of business offer some form of management internship opportunity for their students. Only 17% require participation.

Internships have various definitions, but generally, an intern is someone working in a temporary position with an emphasis on education rather than employment. Other similar programs include: apprenticeship, cooperative education, externships, practicum's, etc. For simplicity, the term internship will be used.

## **Literature Review**

There exists a scarcity of recent research in the area of business internships. Only ten pages were published in academic business outlets in 2007, and 4 of those, are photographs. 2006 was not much better.

A Journal of Marketing Education written in April, 2000 by Gault, Redington, and Schlager is the most recent reported research in business publications. The business research report three groups benefit from internships: students, employers and educational institutions. Student and employer benefits have research measures and statistically analysis, but University benefits are offered anecdotally.

Student benefits include:

- higher starting salaries (Gault, et. al, 2008, Malcolm, 2000, & Taylor, 1988)

- higher job satisfaction (Gault, et. al, 2008, Devine, et. al, 2007& Taylor, 1988)
- sooner job offers (Gault, et. al, 2008, Taylor, 1988, & Thiel and Hartley, 1997)
- more job offers (Devine, et. al, 2007, Malcolm, 2000)
- higher extrinsic success (Gault, et. al, 2008, & Taylor, 1988)
- develop communication skills (Knemeyer and Murphy, 2002)
- better career preparation (Gault, et. al, 2008)
- improve job-related skills (Devine, et. al, 2007, Knemeyer and Murphy, 2002)
- improved creative thinking (Gault, et. al, 2008)
- better job interviewing skills (Gault, et. al, 2008)
- better job networking (Gault, et. al, 2008)
- stronger resume (Devine, et. al, 2007, Malcolm, 2000)
- earn money (Knemeyer and Murphy, 2002)
- earn academic credit (Knemeyer and Murphy, 2002)

Employer benefits are:

- first choice of best students (Gault, et. al, 2008, Malcolm, 2000 & Thiel and Hartley, 1997)
- best selection of future employees (Devine, et. al, 2007, Malcolm, 2000, & Hall, et. al, 1995)
- better hiring decisions (NACE, 2005, Knemeyer and Murphy, 2002, Malcolm, 2000, & Thiel and Hartley, 1997)
- new ideas (Knemeyer and Murphy, 2002, Thiel and Hartley, 1997)
- networked to college (Thiel and Hartley, 1997)
- fulfilling social responsibilities (Thiel and Hartley, 1997)
- part-time help (Devine, et. al, 2007, Knemeyer and Murphy, 2002, & Malcolm, 2000)

Suggested University benefits:

- improved reputation (Devine, et. al, 2007, Thiel and Hartley, 1997)
- improved student recruiting (Devine, et. al, 2007)
- smarter students (Gault, et. al, 2008 & Thiel and Hartley, 1997)
- new scholarships
- other forms of funding (Gault, et. al, 2008 & Thiel and Hartley, 1997)
- networking to the local community (Gault, et. al, 2008 Devine, et. al, 2007, & Thiel and Hartley, 1997)
- external curriculum assessment (Devine, et. al, 2007, Thiel and Hartley, 1997)
- practitioner input (Thiel and Hartley, 1997)

## **Research Questions**

This research focuses on expanding our understanding of how management internships benefit educational institutions in six basic areas: teaching, research, service, economic development, financial support and the general areas of recruiting and reputation.

### **Teaching Benefits**

Teaching is the primary mission for higher educational institutions. Previous research has shown, internships do benefit student learning, but are there other benefits to the institution and what are they?

- Do faculty's general knowledge or experience increased?
- Are classroom discussions richer because of student's experiences as interns?

### **Research Benefits**

A second primary mission for most higher educational institutions is the expansion of human knowledge. In what ways do internships assist or support research?

- Are faculty invited to do research at organizations that have or had interns?
- Do interns bring research ideas or suggestions to faculty?
- Do faculty intern advisors find research opportunities at the organizations with interns?

### **Service Benefits**

Generally, the third mission for higher educational institutions is service to the university and community. How do internships impact on service activities?

- Are faculty members providing service to organizations with interns?
- How is that service performed?
- Does the institution feel a greater connection to the community because of the internships?

### **Economic Development Benefits**

The new mission of economic development is becoming increasingly important as institutions of higher education are looked to in order to take a leading role in this important, but often difficult activity.

- Do internships inspire more students to open new businesses?
- Do internship increase the number of students hired by new or small business?

- Do these placement lead to increased economic development?

### **Financial Benefits**

Since finances are becoming increasingly important in public institutions as state funding is reduced, most educational institutions are looking for outside financial assistance.

- Do internships increase the private financial support received?
- Do scholarships increase?
- Are grants or other research funds made available?
- Are chairs endowed?

### **Recruiting and Reputation Impact**

Enrollments are becoming a major concern at many universities.

- Are more students enrolling in colleges and universities with internship programs, than colleges and universities without such programs?
- Is recruiting of faculty or staff easier because of an internship programs?
- Is an institution's reputation affected by its internship programs?
- Are graduates from colleges and universities with internship programs hired sooner, at higher salaries, by better organizations, into better positions?
- Each of these hypothesis's are stated in the positive as suggested in prior research, benefits in all areas are expected to be found.

### **Analysis and Discussion**

#### **Sampling**

There are 653 U. S. schools of business in the AACSB directory of schools of business, but 30 did not list email addresses. This reduced the sample to 623 schools. Nine of these email address were invalid, leaving the used sample of 619.

On March 12 and 26, 2008 these Deans were e-mailed a message requesting their school participation in the on-line survey. The email requested the message be forward to the person most knowledgeable about the benefits your school of business receives by offering internship programs. A total of 180 useable responses were received or a 29% response rate.

42.7% of the respondents were Deans or Associate Deans, 23.8% held the rank of Professor through Instructor, and 33.5% were other.

18.3% had less than 6 years of higher education experience, 15.4% had 6 to 10 years experience and 66.3% had more than 10 years experience.

40% had been at their current institution for less than 6 years, 20% 6 to 10 years and 40% 10 years or long.

Institutional demographic information can be categorized as follows:

- Most responses came from the Southeast 30.4% followed by the Mid East 14% and the center of the country Great Lakes and Plains 12.9% and 10.5%.
- Ninety-eight percent Most responses came from public and private 4 year or above institutions.
- 31.6% were doctoral institutions, 54.9% were master level institutions, 9.9% offer baccalaureate degrees and 8.8% offer other degree programs.
- 30.4% were in or near large cities, 46.7% were in or near mid-size cities and 12.9% were in small towns or rural settings.

## Questionnaire

A questionnaire consisting of 45 questions was developed and placed on-line using active server pages. Sixteen questions used a Likert type scale to measure responses. On these questions, respondents replied on a 0 to 5 scale, where 0 is never, 1 is rarely, 2 is sometimes, 3 is usually, 4 is most times and 5 is always. N/K is no knowledge. Six questions were open ended and five ask for an estimation of the ratio between internships and benefits.

## Results

Ninety-five percent of the institutions responding to the survey offer some form of internships. Table 1 shows the frequency and percentage of internships broken down for management majors.

**Table 1 – Internship Requirements for Management Majors**

Major	Major Required		Major Elective		Free Elective		Not Available	
Management	28	17.0%	70	42.4%	20	21.8%	31	18.8%

From table 1 it is clear that very few business schools, around 17% require all management majors to complete an internship to graduate. About 42% offer them as major electives and around 22% offer them as free electives.

## **Research Questions**

**The results to the research questions will be reported in the final version of the paper in a format like the following:**

### **Teaching Benefits**

Teaching is the primary mission for higher educational institutions. Previous research has shown, internships do benefit student learning, but are there other benefits to the institution and what are they?

- Do faculty's general knowledge or experience increased? \_\_% **yes**, \_\_%**no**
- Are classroom discussions richer because of student's experiences as interns?

### **Research Benefits**

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### **Conclusions and Suggestions for Further Research**

Internships are underappreciated for the role they play in Business Schools. While 91% of the institutions offer some form of management internship, it seems only a small percentage are cultivating the rewards that could be available to them. Internships are a source of additional students in these times of shrinking enrollments. They enhance the school reputation. They can be a channel for much need funds for research. Internships can provide faculty with new business experience through service and consulting opportunities.

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