2010 Internship & Co-op Survey

KEY FINDINGS

OVERVIEW
• Nearly all respondents (86.5 percent) have formal internships/co-op programs.

• Among respondents, the primary focuses of their programs is to feed their full-time hiring program: Approximately 83 percent of respondents cited this as the primary focus of their internship program, while nearly 80 percent identified this as the primary focus of their co-op program.

• Interns and co-ops spend the lion’s share of their time engaged in core business functions. On average, less than 3 percent of their time is spent on nonessential functions.

• More than three-quarters of respondents assign their interns/co-ops to one unit, rather than rotating them through different areas.
Hiring Projections

- There is little change in the percentage of respondents with plans to hire interns and co-ops this year. Approximately 92 percent expect to hire interns and co-ops in 2010 compared to just over 91 percent who reported such plans in 2009.

- Overall, respondents expect to bring in 2.9 percent more interns this year than last. That’s a significant turnaround from 2009, when the intern hiring rate dropped by more than 20 percent.

- Co-op hiring remains depressed, and respondents expect to hire 2.8 percent fewer in 2010 than they did in 2009.

Recruiting

- Employers tend to favor a high-touch approach to recruiting interns and co-ops, and allocate their budget accordingly.

- Career fairs were ranked as the most effective activity for recruiting interns, while on-campus recruiting earned top honors for co-op recruiting. Online networking and job listings on commercial web sites fell at the bottom of the rankings for both interns and co-ops.

- On average, employers take just over three weeks to extend an offer or inform a student that he/she is not being considered for an intern or co-op position.

- Employers select schools at which to hire interns and co-ops based on their recruiting experience with the school.

Compensation

- Despite the recent media attention given to unpaid internships, unpaid internships are a rarity among respondents to the survey. More than 90 percent pay all of their interns. Overall, the average percentage of paid internships is 98.6 percent.

- Overall, the average intern wage rate at the bachelor’s degree level is $17.00, down slightly from last year’s average ($17.13). Not surprisingly, wage rates are affected by major, year of study, and degree level. Seniors, for example, earn an average hourly wage of $18.40, while freshmen earn $14.39.

- Few respondents reported giving signing bonuses in 2009 (18 percent), and even fewer expect to offer them to interns/co-ops in 2010 (13.5 percent).
The most commonly offered benefits to interns and co-ops are planned social activities, paid holidays, and counting experiential education work time as service time if hired for a full-time position.

Approximately 51 percent of respondents offer relocation assistance to their interns, and about 46 percent provide this to their co-op students.

**CONVERSION/RETENTION**

- Overall, respondents reported converting 53.3 percent of eligible interns into full-time hires. That’s down from 56.6 percent last year.

- The conversion rate for co-ops, on the other hand, reached a near all-time high—60.4 percent, outpaced only by the 2006 conversion rate of 64 percent.

- Of the students hired from the Class of 2009, 44.6 percent came from employers’ internship programs and 34.9 percent came from their co-op programs. This is a significant increase in the reliance employers place on such programs to find new full-time college hires.

- Students who have taken part in an internship are a better “risk” in terms of retention. Within one year of hire, nearly 86 percent of those that have taken part in an internship at the hiring organization (and 85 percent of those who served an internship elsewhere) are still on the job, compared with about 81 percent of those who didn’t do an internship.

**ABOUT THE SURVEY**

NACE’s 2010 Internship & Co-op Survey was conducted January 11 – March 5, 2010.

The survey was sent to 884 NACE employer members; 235 organizations, or 26.6 percent, took part. Nearly 20 industries are represented. By region, 26 percent are from the Northeast, 28.1 percent are from the Southeast, 30.7 percent are from the Midwest, and 15.2 percent are from the West.

For details on purchasing the full report, see www.naceweb.org/products/2010internship_co-op_survey/ or the NACE Store on www.naceweb.org. (Participating NACE members receive a complimentary copy.) Customized results of the survey are also available; participants receive a 50 percent discount on custom reports. For more information, contact Edwin Koc, NACE research director, 800/544-5272, ext. 164; ekoc@naceweb.org
PARTICIPATING ORGANIZATIONS

Of the 235 participants in the survey, 130 agreed to be identified. The following is a listing of those participants.

Abbott Laboratories
Adaptive Methods
Affiliated Engineers, Inc.
Air Products & Chemicals Inc.
Alliant Techsystems Inc.
American Axle & Manufacturing, Inc.
American Electric Power
American Water
Ameriprise Financial
AREVA NP
Arup & Partners
AstraZeneca
  Pharmaceuticals LP
Bell Helicopter Textron Inc.
Blue Shield of California
Boy Scouts of America
BP
Burns & McDonnell
  Engineering Co. Inc.
C&S Wholesale Grocers, Inc.
Cameron
Carpenter Technology Corporation
Cerner Corporation
CGI
CH2M HILL
Chester Engineers
Chevron Corporation
Chevron Phillips Chemical Company LP
CIGNA Corporation
Country Insurance & Financial Services
Cray Inc.
Crowe Horwath LLP
DCP Midstream Partners, LP
DCS Corporation
Deere & Company
Doeren Mayhew
E. & J. Gallo Winery
Eastman Chemical Company
Eaton Corporation
EchoStar
Edwards Lifesciences
Entergy Services, Inc.
Ernst & Young LLP
Flint Hills Resources
Gannett Fleming, Inc.
General Electric Company
General Mills Inc.
Genworth Financial
Goodyear Tire & Rubber Co.
Gorton’s Inc.
Hajoca Corporation
HDR Inc.
Herbert, Rowland & Grubic, Inc.
Hitachi Consulting
Honeywell International Inc.
Humana, Inc.
IBM Corporation
Integrys Energy Group, Inc.
Intel Corporation
Kearney & Company
Kennedy & Coe LLC
Kiewit Energy
Kiewit Offshore Services, Ltd.
LA County MTA
Lafarge North America
Lawrence Livermore National Laboratory
Liberty Mutual Insurance Company
Linbeck
Linde Process Plants, Inc.
Link-Belt Construction Equipment Co.
Los Alamos National Laboratory
Lowe’s Companies, Inc.
LyondellBasell Industries
M&T Bank Corporation
Macy’s, Inc.
MeadWestvaco Corporation
Mercer
Messer Construction Co.
MetLife-IXP Recruiting
MillerCoors
Milliken & Company
National Instruments
Northrop Grumman Corporation
Office of Legislative Audits
Opnet Technologies Inc.
Oregon Department of Transportation
Owens-Illinois Inc.
Pacific Gas and Electric Company
Parsons
Payless ShoeSource Inc.
PrimeSource Building Products, Inc.
Principal Financial Group
Procter & Gamble Co.
PSEG
Puget Sound Naval Shipyard & IMF
Rayonier Inc.
Raytheon Company
Robert Bosch LLC
Rogers Corporation  
Rolls-Royce Corporation  
S&C Electric Co.  
Sandia National Laboratories  
Save-A-Lot  
SC Global Tubular Solutions LLC  
Schneider Electric  
Scholle Corporation  
Sears Holdings Corporation  
Sensata Technologies  
Signal Systems Corporation  
Southwest Research Institute  
Southwestern Company  
Sunoco, Inc.  
SWIFT  
Teradata Corporation  
TesoCo Companies, Inc.  
Thales Communications Inc.  
The Field Museum  
The LPA Group  
The Lubrizol Corporation  
The Nielsen Company  
The Schwan Food Company  
The Timken Company  
Thomson Grass Valley  
Tindall Corporation  
Total Quality Logistics, Inc.  
Toys “R” Us, Inc.  
U.S. Postal Service  
Union Bank of California  
Union Pacific Railroad Company  
ValleyCrest Companies  
W.W. Grainger, Inc.  
ZS Associates

Copyright 2010 by the National Association of Colleges and Employers.