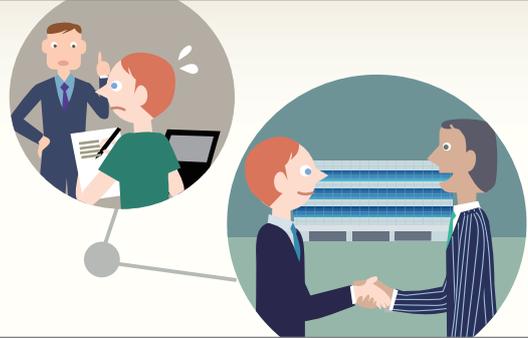


[2015.07.09]

Perspectives of US Internships: Job Offer

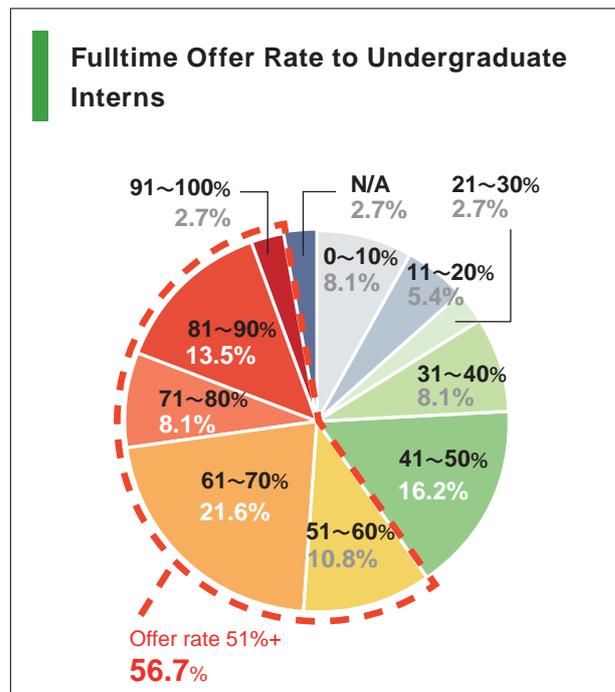


Previous article discussed the features of recruiting and selecting interns, such as the recruitment methods, application procedure, and the number of interns in organizations. Present article will look at the next step of the hiring process, offering positions and taking in interns to the organization based on the data from “2015 Internships USA”.

Over 50% of Employers Offer Fulltime Positions to Majority of their Interns

56.7% of employers “offer fulltime positions to 51% or more (of their) interns.” At US companies where internships are an avenue to recruit permanent employees, students must pass multiple interviews to become interns. Thus, it is natural that the high number of interns is offered a fulltime position.

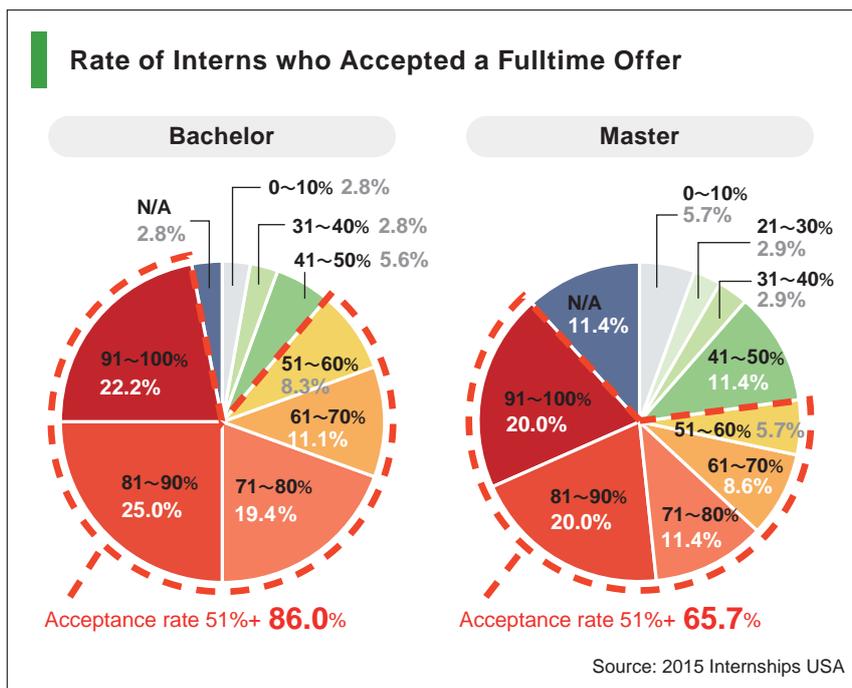
On the other hand, the fact that 40.5% of employers “offer fulltime positions to 50% or less (of their) interns” indicates that it is common for more than one in two interns to drop out from the selection process. They may satisfy the certain standards of academic achievements and interview performance, but can be ultimately judged not meeting the requirements to become a fulltime employee after working as an intern for a few months.



Probability of More than Half of Interns Accepting a Fulltime Offer is Over 80%.

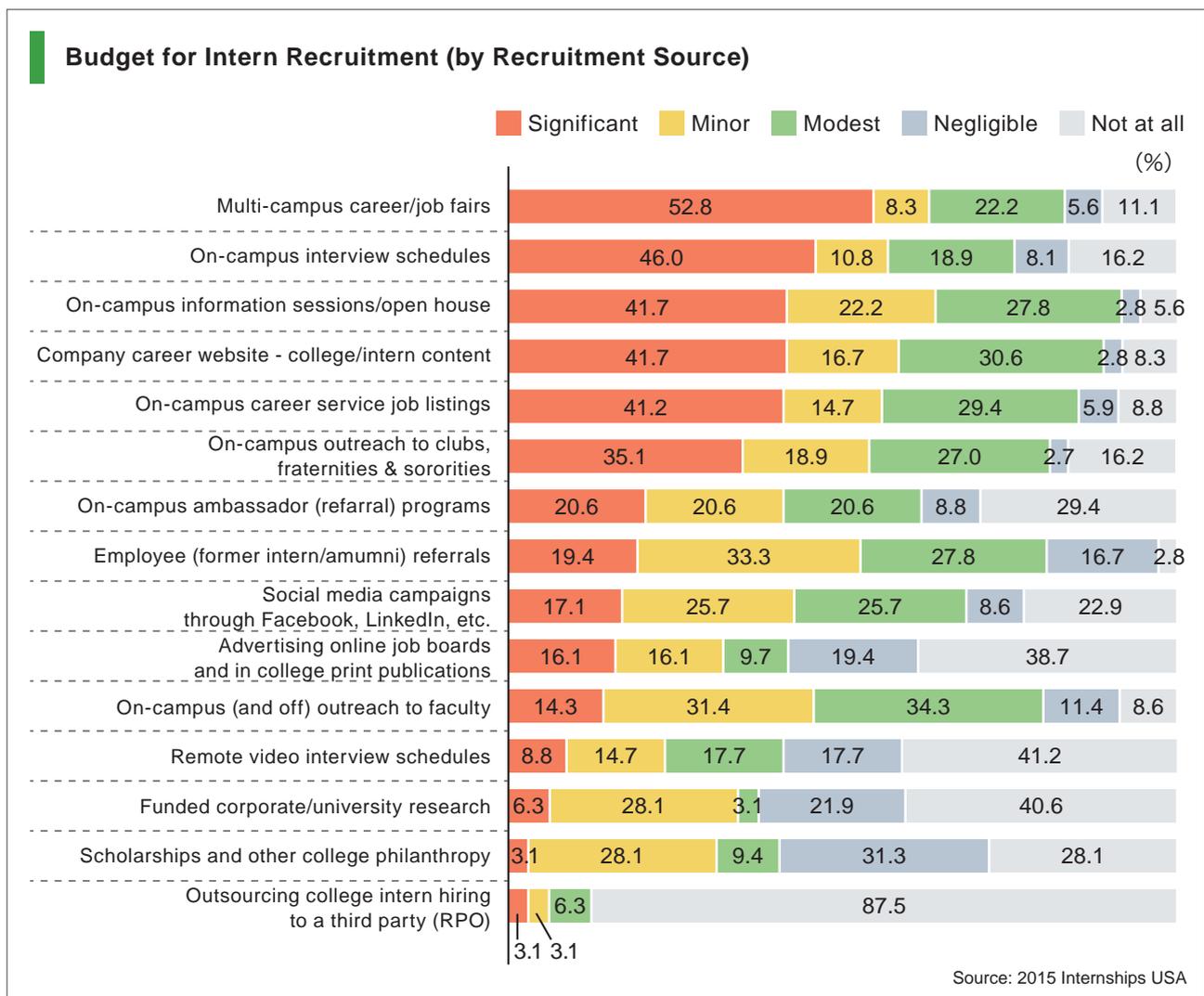
As mentioned in our first article of this serial, internships in the United States have a purpose of converting interns into fulltime employees. So, how successful are employers in actually achieving this purpose? Among the participants in our “2015 Internships USA” study, 86% managed to have over half of their undergraduate interns accept the fulltime offer. 4/7.2% of employers had an overwhelming 81% acceptance rate, and 66.6% had a 71% acceptance rate. It is safe to conclude that interns in general accept a fulltime offer at quite a high rate.

Proportion of employers whose interns in master’s program accepting an offer at 51% or more was 65.7%. Though it is lower than the acceptance rate for undergraduate interns, it is still high.



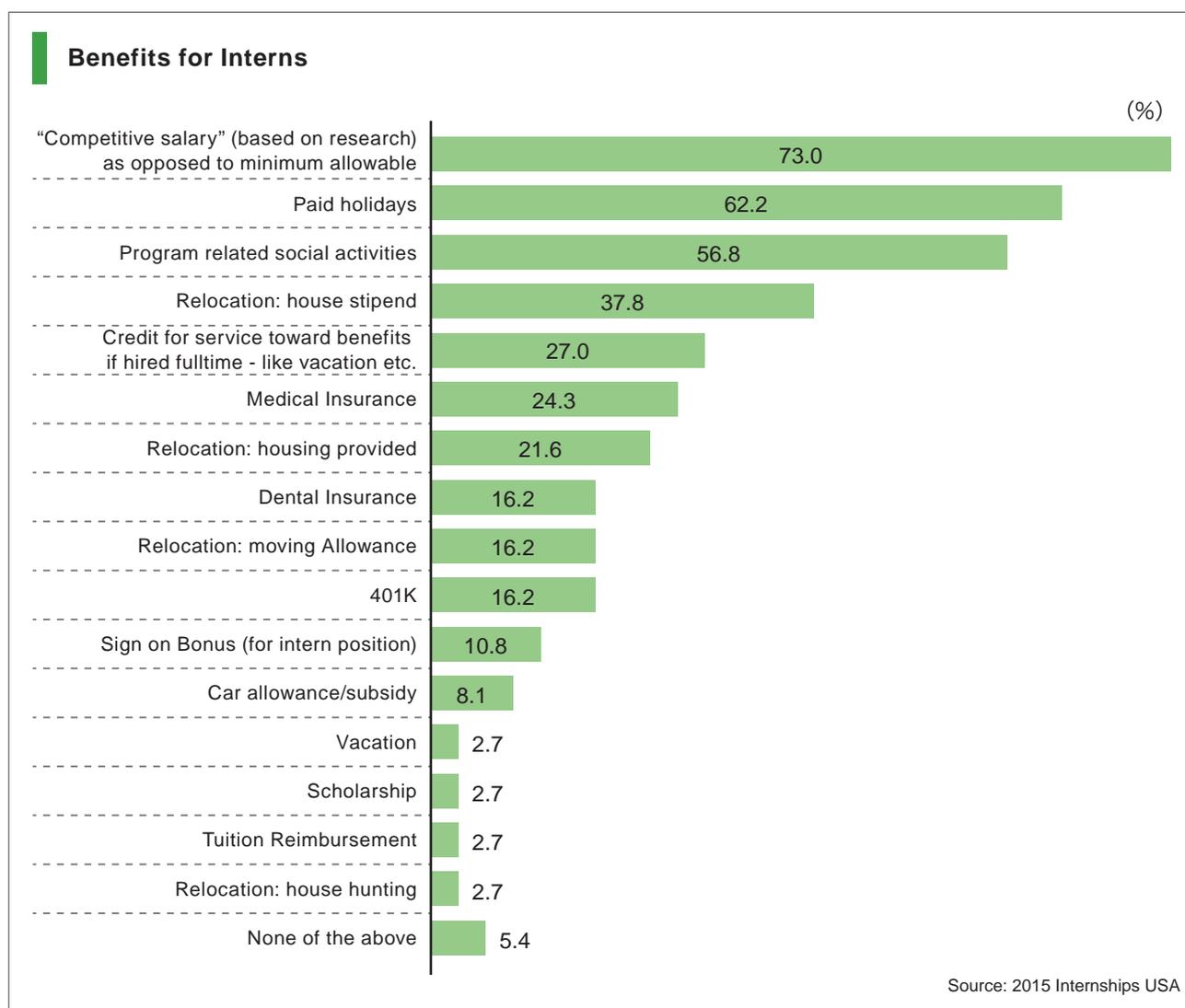
Employers Allocate a Large Budget for On-Campus Information Sessions, On-Campus Interviews and Multi-Campus Career Fairs.

The item that most employers spend a significant amount of their hiring budget on was “multi-campus career/job fairs”, followed by “on-campus interview schedules”. Third was a tie between “on-campus information sessions/ open house” and “company’s career website”. There is a tendency to allocate a bigger budget to face-to-face recruitment sources rather than to virtual ones such as job boards or social media. Consistent with this result is the findings from “2015 Internship & Co-op Survey” conducted by NACE (National Association of Colleges and Employers). Among the 241 participating employers, career/job fairs and on-campus recruitment activities are rated as more effective than other recruitment sources, and therefore are allocated more budget.



Attract Interns with Competitive Salary, Paid Holidays and Program-related Social Activities

Since 2011, there has been a spate of class action lawsuits against unpaid internships in the United States. In order to avoid the risk of litigation, paid internships are becoming the norm in recent years. Our “2015 Internships USA” survey further shows that it is not enough to simply offer compensation but it has to be competitive to attract exceptional students. The three most common benefits offered to interns are “competitive salary” (73.0%), “paid holidays” (62.2%) and “program related social activities” (56.8%).



Average Compensation for Interns

When we looked at the average compensation for interns in the past year, it tended to increase as the degree level went up. Undergraduates were being paid between \$12 and \$32/hour, or between \$1,700 and \$5,500/month. In turn, Master’s students were being paid \$14 - \$35/hour or \$2,400 - \$7,500/month, and Ph.D. interns were getting paid \$28 - \$40/hour or \$2,400 - \$8,750/month. Employers take into consideration the degree level the most (54.1%) when deciding how much to pay their interns. Secondary considerations are what the competitors are paying and the job assigned to interns (45.9% and 43.2% respectively).

