

Key Strategies for

As the job market continues to improve, employers continue to look



Converting Interns

first within their internship programs for entry-level college hires.



By Claudia Allen

Almost four out of five respondents to NACE's 2012 Internship & Co-op Survey reported that feeding the entry-level hire pipeline was the primary focus of their internship programs. In fact, the survey showed that of the total expected new college hires in 2011-12, more than 40 percent came from employers' own internship programs.

Employers find interns by targeting schools by academic major, experience at the school, and the quality of the programs offered. Recruiters make their best finds at career fairs and on-campus information sessions, and through faculty contacts.

The overall average conversion rate for interns stands at 58.6 percent—the highest recorded by NACE since it first began tracking that measure in 2001—climbing from 57.7 in 2011, and 53.3 in 2010.

An internship is “a very long interview, a 10-week interview,” says Karen Fox, talent attraction manager at The Vanguard Group. “It takes into account the whole person. We see how well you perform and whether you will be good in a full-time position.”

How, though, does an employer ensure that successful interns will accept an offer at graduation?

Employers with better-than-average rates of converting interns to full-time hires—64 percent and up—report the keys to their successful intern-to-hire programs are:

- Offering real work assignments,
- Helping the intern find a good fit within the company culture, and
- Paying the intern competitive wages.

These employers also follow an “early and often” philosophy. They find interns in the fall and offer full-time positions early in the recruiting season. Plus, they reach out to their interns and new hires frequently between hire and start dates.

Recruit Interns Early

Planning for an intern class begins the spring before fall recruiting, says Paige Cole, supervisor of college relations at The Williams Company. She works with hiring managers to determine where students will be placed and the projects they’ll be assigned.

Cole hires 95 percent of her interns in the fall, and targets schools that are located near her organization’s offices. “We’re not a known entity everywhere,” she says, “even though we’re a large energy infrastructure company. Recruiting near larger hubs helps us with name recognition and community support.”

Cole uses alumni and hiring managers to staff career fairs and other student outreach programs during the weeks before the career fair, including at networking events and leading job-search skills seminars.

Liberty Mutual Insurance Company has hired interns for more than 20 years, but five years ago, the organization created a formal national internship program, says Maura Quinn, director of university relations.

She begins her intern hiring in the fall, targeting sophomores and juniors. The company’s latest campaign: “Be

the one responsible,” shows students how insurance touches their lives in ways they might not consider. Liberty Mutual, for example, insures safety equipment for amateur and professional athletes, rock concerts, and national amusement parks.

Students are looking for that relevance when they consider internships, she says. “These things resonate with students in their daily lives.”

Chelete Burnett, Marathon Oil’s university relations lead, looks for students who have strong communication skills and are flexible about location. She’s also very interested in those who have had previous internships.

She hires about 70 percent of the company’s interns in the fall. Those positions not filled in the autumn will be recruited for in the spring. She recruits from a wide variety of majors, including accounting, supply chain, information technology, human resources, safety, engineering, geology, and law.

“I don’t think [recruiting] ever really stops,” says Fox. “It’s earlier and earlier every year. We’re promoting internships as early as September and October, and we interview in late October.”

Assign Interns Real Work

An important key to converting an intern into a full-time employee is offering the student a real-work experience, says Burnett. “They aren’t making copies or coffee. They have job descriptions in hand a month before they start and they receive individual projects to work on.”

Real work is what students look for when they apply for internships, and employers find long-term benefits in training their future work force through internships.

Marathon’s interns are given performance goals and a performance check at the six-week mark, and are expected to make a presentation at the end of the 13-week internship. One of the projects tackled by a group of last summer’s interns was “fracking,” or hydraulic fracturing, a method of

releasing natural gas from underground rock for extraction.

“Students come in and work closely with the executive leadership team,” Burnett says. “They stand up with their managers and give high-level presentations. They go to meetings. They have an office with their name on it. They have a laptop. They receive real work. We take their ideas around the table during conference calls. They feel a part of the team. And we look at them as if they are coming back as a full-time hire.”

Many employers treat interns like regular employees. “We offer an opportunity that mirrors a full-time opportunity,” says Christina Owens, program manager, college to corporate internship at Vanguard. The firm will hire up to 100 interns for the summer of 2013.

“In the program, students are interviewing for a full-time position through their performance,” Owens says.

Students are given substantial projects for the 10-week program based on proposals from the various business groups within the company. Work not completed during the 10-week period “will go to a full-time employee or could go to full-time participants in the accelerated leadership program,” Owens explains.

“Our interns are doing the same work they would be doing as an entry-level hire,” says Quinn. “We give them formal training. We expose them to the culture of the organization.”

“Intern projects are real work,” Cole says. “If we didn’t have an intern, we’d have to hire a full-time permanent employee.”

Offer Interns Compensation

Paying interns is good business, employers say. It opens the door to a wider applicant pool and shows interns that their time and skills are valued. In addition, paying students who are doing real work eliminates the possibility of legal entanglements.

In addition to wages, some organizations offer benefits such as relocation

assistance, planned social activities, paid holidays, and recognition for work service time.

“Our interns earn a competitive hourly wage,” Quinn says. “They get paid vacation time, on-the-job training, and social and educational programs. Even if an intern comes to us for credit, we provide an hourly wage along with that credit.”

At Williams, Cole says, “If an intern accepts a full-time offer, we give them recognition for the time they spent in the internship toward paid time off, their pension, and their 401(k).”

Internships typically last 10 to 12 weeks, so interns may also be compensated for the Memorial Day and the July 4 holidays.

Vanguard pays interns by the hour based on a competitive analysis by its compensation team. Interns get holiday pay (for the July 4 holiday), are welcome to use Vanguard’s employee gym, and can take classes through the organization’s university.

Vanguard recently added another perk to its intern benefits: a volunteer day off. Full-time employees get one day each year to volunteer and interns requested similar time. “Every year we go somewhere that has a need and volunteer together,” Owens says.

Ensure Interns Are A Good Fit

Another key to conversion lies in emphasizing a good fit between intern and organization, employers say. Recruiters talk about “exposure to the corporate culture” as more than words in a company brochure, but as something students experience during their internships.

“We want to help them understand what the Vanguard brand is all about. It’s how we do business. How co-workers treat one another,” says Fox. “We do a lot of collaboration, teamwork. Interns want to come to work and do a good job, and be respected.

“Once [an intern] gets here and they interact with other employees,” she



explains, “it’s a hard place to leave.”

Last year, to market the company to new employees, it launched a new brand campaign, “Stay. Inspired.” Fox describes it this way, “You grow, you develop, you build relationships. You are inspired to stay.”

The only intern who turned down a full-time job at Williams was more interested in working long term in aerospace, Cole says. The company boasts a 96.2 percent conversion rate of intern-to-full-time hire. In 2012, Williams extended 26 offers and received 25 acceptances for full-time jobs beginning at graduation in 2012.

“We typically hire 100 percent of our entry-level engineering and business hires from our internship program. We’ve consistently had a high conversion rate,” says Cole. “Our culture plays a lot in that. We’re a laid-back company with strong core values.”

A team of alumni volunteers from Williams reaches out to students interested in internships and potentially full-time jobs. “We are a growth industry,” Cole says. “We place new hires in growing locations and they are given responsibility to work on large projects and learn from the best in the business.”

Students looking at how organizations contribute to their communities find that Liberty Mutual recognized this need early. The company created

The Community Project, in which 10 students, selected through a YouTube video contest, get the opportunity to help rebuild and restore a community impacted by natural disaster.

“We are trying to provide a group of students a first-hand look into Liberty Mutual, as an organization and how we operate in the communities in which we do business,” Quinn says. “We feel the best way to demonstrate what we do as an organization is to have a group of students work alongside us.”

During previous Community Project events, students cleaned up a historic ranger station, which now serves as a meeting site and home base for the hundreds of local volunteers who help the U.S. Forest Service. The students also worked with volunteers from Liberty Mutual’s Southern California offices to plant 250 trees in four hours.

Intern Conversion Conversations

To keep strong intern talent at their organizations, these employers extend full-time offers to successful interns within days of interns leaving the program.

“Our goal is to extend offers to at least 90 percent of our interns by the last day of the summer,” says Quinn. “We don’t want to lose the talent we’ve

just invested in, and we've proven to the hiring managers that our former interns are a highly successful source of entry-level talent. We've been extending our offers earlier and earlier, and developed our Intern Connect program to engage students while they are back on campus."

Owens says, "We're having conversations with them even before they go back to school, to identify those who would be a good long-term Vanguard employee."

Marathon extends offers on the last day of the internship, and interns are offered an early acceptance/sign-on bonus. Some interns have made up their minds about working for Marathon by the day of the offer.

Quinn says one benefit of converting interns to new hires comes at the one- and five-year marks. New hires who were once interns tend to stay with Liberty Mutual.

Respondents to NACE's *2012 Internship Survey* reported that after one year on the job, hires that were from the organization's own internship/co-op program were retained at a rate of 75.7 percent. After five years, 62.4 percent of hires coming from an employer's program were still with the company. Just 66.5 percent of hires with no internship experience were with the organization after one year; only 48.1 percent of hires with no internship experience remained at the company after five years.

"We also find that our interns move faster in our organization," Quinn says. "They're filling our college roles, our front-line manager roles. So at that very entry level, we're building the foundation for the future."

Interns and Social Media

Recruiters say using social media is a good way to market activities they want to sponsor for interns and new hires, but they err on the side of

caution when using social media to recruit. LinkedIn seems to be universally recognized as a business tool that can be used between intern/new employee and employer. Facebook and Twitter, however, are seen as social in nature and organizations hesitate to exploit that potential connection to students.

"We don't use social media for recruiting," Burnett says. "We use it internally when students officially become interns. We use it to connect them with each other—to help them get to know who will intern, where they will stay, whether they want to room together, who might have a car. It gives them a chance to meet before they start."

"Feedback we've gotten from students," Cole says, "is that they don't want to be contacted on Facebook. That's personal to them—it's not work related. We've tried to be mindful of that."

Williams uses LinkedIn to help interns get to know each other, discover who will be placed in the same location, and arrange housing. Williams sets up an "internship yearbook," that includes a short bio and photo of each intern and information—places to eat, where hospitals are located, where to get the best coffee—about the organization's locations.

Vanguard uses LinkedIn to talk business with the college population. Students can opt-in to receiving job postings. "Our recruiters will network with students through their [LinkedIn] profiles. Facebook is a vehicle to direct students to information about the company," Fox says.

Different employers use social media sites in different ways. "We use social media as more of a way to keep in touch versus recruiting," Quinn says. "We don't post jobs there. We do let students know about events, things we're doing on campus, and scholarships they can apply for through the Responsible Scholars™ Program."

Keeping in Touch With Interns

At many organizations, once an offer is made and accepted—usually in late fall—new hires are paired with a buddy or mentor, or other staff member. Employers say it's important to maintain contact via phone and e-mail, asking former interns to participate at career fair booths and at information sessions, and to serve as campus ambassadors for the organization.

"We have a formal engagement plan where supervisors and recruiters stay in close touch with our new hires," Quinn says. "Students can opt-in for a newsletter and for campus updates. We also have a secure website for them, Internhub, where they can share information."

Vanguard offers many full-time options, including an opportunity to do a 15-month rotation within the company, which gives new hires a chance to explore their skills and interests before they settle into a role. Once an offer for one of the accelerated programs is made and accepted—usually in late August—new hires are paired with a buddy who has gone through the intern program.

To maintain the connection with former interns, other employers use similar tactics.

"We ask [buddies] to stay in touch with interns. To reach out to them by phone or e-mail," says Owens. "About two months before they come back to us, we'll bring them in for a pre-onboarding event."

Internship programs feed the company's entry-level pipeline. A successful internship program is one in which a majority of interns are converted to full-time employees. To achieve that success, organizations should incorporate these key strategies as key parts of their program: offer real work assignments, help the intern find a good fit within the company, and pay competitive wages. ■

Claudia Allen is a writer and editor at NACE. She can be reached at callen@naceweb.org.