ABOUT THE SURVEY

NACE’s 2013 Internship & Co-op Survey was conducted from November 15, 2012, to February 1, 2013.

The survey was sent to 1,060 NACE employer members: 306 organizations, or 28.9 percent, took part. More than 20 industries are represented. By region, 28.3 percent are from the Northeast, 29.3 percent are from the Southeast, 27.6 percent are from the Midwest, and 14.8 percent are from the West. Where possible, selected data are presented by region and industry.

Participating NACE members receive a complimentary copy of the survey report. Customized results of the survey are also available. Participants receive a 50 percent discount on custom reports. For more information, contact Andrea Koncz, NACE Employment Information Manager, 800/544-5272, ext. 121; akoncz@naceweb.org.

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ABOUT NACE

The National Association of Colleges and Employers (NACE) is the leading source of information about the employment of the college educated. NACE connects more than 5,200 college career services professionals at nearly 2,000 colleges and universities nationwide, and more than 3,000 HR/staffing professionals focused on college relations and recruiting. The professional association forecasts trends in the job market; conducts research into salaries, professional benchmarks, and best practices related to college recruiting and career services; and provides members with professional development opportunities. For more information, see www.naceweb.org/membership_information/.
EXECUTIVE SUMMARY

Employers responding to the 2013 Internship & Co-op Survey once again reinforce the fact that internships and co-operative education programs are an essential component of their college recruiting programs.

Respondents plan to hire more interns and co-ops. Intern hiring will increase by 2.7 percent and co-op hiring will increase by 5.8 percent. More than one-third of respondents’ total 2012-13 expected new college hires will come from that organization’s internship and co-op programs. Although last year’s survey showed that more than 40 percent of respondents’ total new graduate hires came from the employers’ own internship and co-op programs, this year’s figures still represent a significant portion of new recruits originating from these programs.

Additional key findings of the survey:

HIRING

- The number of internships is expected to increase by 2.7 percent in 2013.
  - Increases are projected in just two of the four geographic regions.
  - Just over one quarter of industry types reporting have plans to increase the number of intern hires. The remaining three-quarters have plans to cut their intern hires, with some decreasing their numbers by less than 1 percent and others cutting the number of intern hires in half.
- Co-op hiring is expected to increase by 5.8 percent in 2013.
  - Only the Midwestern region will decrease their number of co-op hires.
  - Given the number of limited respondents in several areas, co-op hiring projections by industry should be read with caution. For the most part, however, those industries reporting increases slightly offset those who are reporting decreases.

RECRUITING

- Employers continue to prefer “high-touch” recruiting methods for recruiting interns and co-ops.
  - Career fairs and on-campus recruiting comprise more than half of employers’ recruiting budgets for both interns and co-op students.
  - Career fairs and on-campus recruiting are rated highest in terms of effectiveness for recruiting interns and co-op students.
  - Job listings on career services’ websites place third in effectiveness for recruiting both interns and co-op students. Referrals from current or former interns was deemed fourth most effective for recruiting interns, however, cultivating key faculty contacts falls fourth on the list for co-op students.
  - Online networking is on the low end of recruiting budgets and effectiveness ratings. For intern and co-op recruiting, only 1 percent of budgets are allocated to this activity, and it is rated lowest on the effectiveness scales in both cases.
• School selection for recruiting interns and co-op students is based on the top three reasons:
  o the academic majors offered at the institution;
  o the employers’ past recruiting experiences at the school; and
  o the perceived quality of the programs from which the recruiter will obtain new interns and/or co-op students. (Note: The same three reasons were listed in the same order in last year’s survey.)

COMPENSATION
• The average hourly wage rate for interns at the bachelor’s degree level is $16.26, an increase of 0.3 percent over last year’s wage rate of $16.21.
• For interns at the master’s degree level, the average hourly wage rate is $21.90, down just 0.1 percent from $21.93 reported last year.
• Class year and academic major show distinct differences in hourly wage rates for interns.
  o For interns in the freshman class, the hourly pay rate is $14.53 compared to $17.47 for interns who are seniors.
  o Among majors at the bachelor’s degree senior level, the highest pay rates are for engineering students, who earn on average $20.36 per hour.
• The pay rates for co-op students follow the same pattern as for interns. The average hourly wage for a bachelor’s degree co-op is $16.23, compared to the average hourly wage of $20.58 for a co-op at the master’s degree level.
• Just over 80 percent of respondents have plans to offer some type of benefits to their interns, with almost three-quarters having plans to offer benefits to co-ops.
• The most popular benefits continue to be the least expensive, with planned social activities, paid holidays, and recognition for work service time topping the lists.
• Relocation assistance is offered to interns by approximately 54 percent of respondents, and 47 percent of respondents offer relocation assistance to co-op students.
  o The most popular forms of relocation assistance for both interns and co-ops are housing stipends and moving allowances.
  o The median dollar value of the relocation assistance is slightly higher this year for interns at $1,650, but it remains the same as 2012, at $1,500, for co-ops.

CONVERSION AND RETENTION
• The conversion rate for interns dropped this year to 48.4 percent. The conversion rate in last year’s survey was an all-time high of 58.6 percent.
• Contributing to the decline in the conversion rate is the fact that employers made full-time offers to 56.5 percent of their interns, compared to more than 60 percent last year. While fewer offers were made, the acceptance rate remained almost unchanged, going from 86.5 percent last year to 85.6 percent this year.
• The conversion rate for co-op students bumped up slightly from 35.9 percent in 2012 to 36.9 percent in 2013.
• The rate at which employers made full-time offers to their co-op students rose dramatically by 10 percent this year, increasing from 38.8 percent to 48.8 percent. And, even though co-op students accepted offers at a lower rate, 75.5 percent this year compared to 89.8 percent last year, the overall conversion rate increased accordingly.

• The retention rates of full-time hires who came from an employers’ own internship/co-op program are higher than the rates of those hires that either completed an internship/co-op with another employer or completed no internship/co-op at all.

  o Respondents who hired interns/co-op students from their own programs retained 88.9 percent of these hires after one year. And, for those hires with no internship/co-op experience at all, slightly less than 80 percent were retained.

  o After five years, the retention rates are lower in both cases, with 72.9 percent of hires coming from an organization’s own internship/co-op programs being retained, and 66.4 percent of hires retained with no internship/co-op experience.

See www.naceweb.org/intern-co-op-survey/ for details about how to order.
APPENDIX

SURVEY RESPONDENTS
Of the 306 participants in the survey, 235 agreed to be identified. The following is a listing of those participants.

ADP
Advanced Micro Devices, Inc.
Agilent Technologies, Inc.
Air Products & Chemicals Inc.
Akamai
Alcatel-Lucent
Ally Financial
American Axle & Manufacturing Holdings, Inc.
AmeriHealth Mercy Family of Companies
Amgen Inc.
Applied Materials Inc.
ARAMARK
ArcelorMittal USA
Arup & Partners
Ascend Performance Materials
Bank of America
Bankers Life & Casualty Co.
BASF Corporation
Battelle Memorial Institute
Bayer Business & Technology Services
Bechtel Bettis, Inc.
Bell Helicopter Textron Inc.
Blackbaud, Inc.
Brocade Communications Systems, Inc.
Burns & McDonnell Engineering Co. Inc.
Bushnell Outdoor Products
C.H. Robinson Worldwide, Inc.
C&S Wholesale Grocers, Inc.
California ISO
Campbell Soup Company
Carpenter Technology Corporation
CGI Federal
CH2M HILL
Champion Technologies
Chevron Corporation
Chevron Phillips Chemical Company LP
Citrix Systems, Inc.
City Furniture
Clever Devices
Cliffs Natural Resources
CNA
Comcast Corporation
ConAgra Foods, Inc.
ConocoPhillips
Constellation Brands
Consumers Energy Co.
Continental AG
Country Insurance & Financial Services
Creston Electronics
Cummins Inc.
Dallas Central Appraisal District
Daymon Worldwide
Dell, Inc.
Delphi Automotive Systems, LLC
Dick’s Sporting Goods
Discover Financial Services
Dominion Enterprises
Duff & Phelps LLC
Duke Energy Corporation
dunnhumbyUSA
DuPont
Dynetics Inc.
eBay Inc.
Ecolab Inc.
Embassy of Australia
Emerson Process Management LLP
Entergy Services, Inc.
Epsilon
Ernst & Young LLP
Farmland Foods
Federal Energy Regulatory Commission
Federal-Mogul Corporation
FirstEnergy Corporation
FMC Corporation
Foster Wheeler AG
Freddie Mac
Fresh & Easy Neighborhood Market
GAF Corporation
GAP Inc.
General Dynamics C4 Systems
General Electric Company
Genworth Financial
Georgia Tech Research Institute
Grande Cheese Company
Great River Energy
GROWMARK, Inc.
GuideStone Financial Resources
Hajoca Corporation
Hazen and Sawyer P.C.
HCL America, Inc.
Hitachi Consulting
HNTB Companies
Honda R&D Americas, Inc.
Huntington Bank
Huntington Ingalls Industries
IBM Corporation
ICF International
INEOS
International Flavors & Fragrances, Inc.
Invensys Inc.
Itron
JPMorgan Chase & Company
Kearney & Company
Kennedy & Coe LLC
Koch Industries, Inc.
KPMG LLP
Lend Lease Inc.
Lennox International Inc.
Liberty Mutual Insurance Company
Longview Fibre Paper and Packaging, Inc.
LyondellBasell Industries
Macy’s, Inc.
Marsh Inc.
Mattress Firm
Maximus
Mayo Clinic
McKesson Corporation
Mercer
Merck & Co., Inc.
Meritor Inc.
Michelin North America
Micron Technology, Inc.
Milliken & Company
Modern Woodmen of America
Moen Incorporated
Murphy Oil USA, Inc.
Mylan, Inc.
NASA - Johnson Space Center
Naval Surface Warfare Center - Dahlgren
Nestle USA
NetApp
NEW Customer Services Company
Newell Rubbermaid
Newmont Mining Corporation
Nexen, Inc.
NiSource
Northern Tier Energy
Northrop Grumman Corporation
Nova Nordisk Inc.
OCC
Olympus Corporation of the Americas
Pacific Gas and Electric Company
Panduit Corp.
Pariveda Solutions Inc.
Parsons
Partnership for Public Service
Phillips 66
Plexus Corp.
Polaris Industries, Inc.
PPL Corporation
Praxair, Inc.
Premier Inc.
Printpack Inc.
Procter & Gamble Co.
Progressive Insurance
Prudential
Raytheon Company
Regeneron Pharmaceuticals, Inc.
Resurgent Capital Services
Return Path, Inc.
Rhodia Inc.
Robert Bosch LLC
Rockwell Collins
ROHM Semiconductor USA, LLC
Rolls-Royce Corporation
Rosetta
Ross Stores Inc.
rue21
San Diego Gas & Electric Co.
Sandia National Laboratories
Sasol North America Inc.
Savannah River Nuclear Solutions
Save-A-Lot
SCA Americas
Schaeffler Group USA Inc.
Schlumberger Oilfield Services
Schneider Electric
Seagate Technology
Shawmut Design and Construction
Siemens Corporation
Southern California Edison Co.
Southwest Airlines Co.
Southwestern Company
Speedway LLC
Sprint Nextel
State Farm Insurance Cos.
State Street Corporation
Stryker Corporation
SWIFT
Takata
TASC
Tenaris USA
Tennessee Valley Authority
Teradata Corporation
Texas Instruments Incorporated
The Boeing Company
The Conti Group
The Hanover Insurance Group
The Lubrizol Corporation
The MathWorks Inc.
The Rehmann Group
The Schwan Food Company
The Shaw Group Inc.
The Vanguard Group
The Williams Companies
Thurgood Marshall College Fund
TiC-The Industrial Company
Tindall Corporation
Towers Watson
Toyota Motor Engineering & Manufacturing North America
Toys “R” Us, Inc.
Transamerica
TTX Company
Turner Broadcasting System, Inc.
Turner Construction Company
U.S. Air Force
U.S. Comptroller of the Currency
U.S. Postal Service
United Services Automobile Association
United Water
Valero Energy Corporation
 Victaulic Company of America
VistaPrint USA, Inc.
W.W. Grainger, Inc.
WellPoint, Inc.
Westinghouse Electric Company
Woolpert LLP
WPX Energy
Zachry
Zappos.com