



2006 Experiential Education Survey

Executive Summary

May 2006



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ABOUT THE SURVEY

NACE's *2006 Experiential Education Survey* was a paper survey mailed to 1,156 NACE employer members on February 2, 2006. A follow-up mailing was sent to nonrespondents on March 6, 2006, and a final e-mail reminder was sent to nonrespondents on March 15, 2006.

The survey instrument provided respondents with the following definitions for internship and co-op programs:

Internship: Internships are typically one-time work or service experiences related to the student's major or career goal. The internship plan generally involves students working in professional settings under the supervision and monitoring of practicing professionals.

Internships can be paid or unpaid and the student may or may not receive academic credit for performing the internship.

Cooperative education: Cooperative education provides students with multiple periods of work in which the work is related to the student's major or career goal. The typical program plan is for students to alternate terms of full-time classroom study with terms of full-time, discipline-related employment. Since program participation involves multiple work terms, the typical participant will work three or four work terms, thus gaining a year or more of career-related work experience before graduation.

Virtually all co-op positions are paid and the vast majority involves some form of academic credit.

Responses were received from 303 employers, a 26.2 percent response rate. Of those, 39 respondents (12.9 percent) indicated that they had neither an internship nor a cooperative education program in place. The data in this report are based on the responses of the 264 employers that reported having such programs.

By sector, 48.8 percent of respondents were service employers, 42.2 percent were manufacturers, and 8.9 percent represented government/nonprofit organizations.

By region of the country, 30.0 percent of respondents were from the Midwest, 21.1 percent were from the Northeast, 35.6 percent were from the South, and 13.2 percent were from the West.

For a breakdown of respondents by type of employer, see page 6. For a listing of respondents by organization, see page 7.

Totals throughout the report may not equal 100 due to rounding.

The number of employers responding to each question throughout the report varied. Percentages provided are calculated based on the number of respondents to each question.

Questions/Comments

Please send questions/comments about this or other NACE surveys to Camille Luckenbaugh, luckenbaugh@naceweb.org

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INTERNSHIP AND CO-OP PROGRAMS: AN OVERVIEW

- More than four out of five employers (83.8 percent) reported having internship programs available for students and just over two in five (41.9 percent) have co-op programs.
- While internship programs are popular across the board, manufacturers and respondents from the West were most likely to report such offerings.
- From the class of 2005, employers report that 62.5 percent of their college hires came to them with internship experience and just over one-quarter (26 percent) had co-op experience.

FOCUS AND SUCCESS OF PROGRAMS

- More than three-quarters of respondents (75.9 percent) said the primary focus of their internship program is to feed their college recruiting program.
- Service employers were most likely to report using their internship program for recruiting purposes (78.2 percent) and government/nonprofit employers were least likely (50 percent).
- Recruiting is also the primary focus of co-op programs, according to respondents with such programs. Overall, 73.4 percent of respondents reported that recruiting is the primary focus of their co-op program.
- Employers in the Midwest were most likely to identify recruiting as their co-op program's purpose (92.6 percent), while respondents in the West were least likely (60 percent).
- Conversion rates, management satisfaction, student satisfaction, and retention rates are the most common elements employers use to measure the success of their program(s).

HIRING PROJECTIONS

- Overall, employers reported plans to increase their intern hires this year by 9.8 percent.
- The West and Midwest projected the biggest overall increases in hiring (12.7 and 11.2 percent, respectively), but it's in the West and the Northeast that employers plan to add the most hires per employer, on average.
- Employers hiring co-op students reported plans to hire, on average, 8.3 percent more students from the class of 2006 than they hired from the class of 2005.
- Service employers outpace manufacturers when it comes to the increase in the number of hires they plan to make, but more manufacturers plan to increase their hires this year than do service employers.



2006 Experiential Education Survey Executive Summary

RECRUITING INTERN AND CO-OP STUDENTS

- Respondents cited attending career fairs and building relationships with faculty contacts as the most effective methods they have for recruiting interns and co-ops.
- Employers reported that about three weeks pass (20.8 days) between the time they interview a student for an internship/co-op position and the time they either extend an offer or notify the candidate that he or she is no longer being considered for the position.
- Once the offer has been extended, employers give candidates an average of two weeks (13.8 days) to accept or decline.

KEY MEASURES

CONVERSION

- Last year, employers reported that they converted an average 35.6 percent of their interns (from the class of 2004) to full-time hires. This year, on average, respondents converted 53 percent of their interns (from the class of 2005) to full-time hires.
- The change in co-op conversion rates is even more marked. Last year's average conversion rate for co-ops (from the class of 2004) was 30.1 percent; this year's average conversion rate (from the class of 2005) is 64 percent.

INTERNS/CO-OPS AS A PERCENTAGE OF NEW COLLEGE HIRES

- On average, respondents reported that 30 percent of their 2005 new college hires came from their internship programs, and just under one-quarter (24.5 percent) came from their co-op programs.

RETENTION

- More than four in five employers (84.4 percent) said they have a higher retention rate among the college hires they convert from their program(s) than they have with all other new college hires.
- Interestingly, it's not just interns/co-ops converted from their *own* programs that have better retention rates. In fact, 82.9 percent of respondents said new college hires who come with internship/co-op experience gained through *any* organization have better retention rates than those who lack that experience.

SALARIES AND BENEFITS

- Among responding employers, it is most common for the internship program to be paid but provide no academic credit, while the typical co-op program is structured to provide both pay and academic credit.
- The overall average salary reported for undergraduate interns in this report was \$15.96 per hour, and for undergraduate co-op students it was \$16.82 per hour.
- The majority of respondents (approximately 55 percent), said they consider a variety of factors to determine salaries for their interns and co-ops; the most common factor is the student's year of study.
- Just under eight of 10 respondents (77.9 percent) offer some sort of benefits to their intern students. Just over eight out of 10 (82.8 percent) have benefit offerings for their co-op students.
- Planned activities, paid holidays, and relocation assistance are the most common benefits being offered to both interns and co-op students.

FULL SURVEY RESULTS/SPECIAL REPORTS

For information on how to purchase the full results of the *2006 Experiential Education Benchmark Survey*, see www.naceweb.org/products/exped_2006.htm. (Note: Survey respondents receive a complimentary copy of the full results.)

Custom data cuts based on the results of the survey are also available. For more information, contact Camille Luckenbaugh, ext. 111, 800/544-5272, luckenbaugh@naceweb.org.



2006 Experiential Education Survey
Executive Summary

SURVEY RESPONDENTS

Figure 32 Respondents by employer type			
Employer Type	Number of Respondents	Employer Type	Number of Respondents
SERVICE EMPLOYERS		MANUFACTURING EMPLOYERS (cont.)	
Accounting (Public)	11	Chemicals & Allied Products	7
Advertising	2	Computers & Business Equipment	3
Banking (Commercial)	7	Electrical & Electronic Machinery & Equipment (incl. Communications)	21
Banking (Investment)	3	Food & Beverage Processing	11
Communication Services	6	Household & Personal Care Products	6
Computer Software Development & Data Processing Services	12	Metal & Metal Products	3
Consulting Services	11	Packaging & Allied Products	1
Engineering/Surveying	13	Paper & Wood Products	4
Environmental/Waste Management	1	Petroleum & Allied Products	9
Financial Services	17	Pharmaceuticals	3
Hospitality (Amusements/Recreation/ Fast-Food Restaurants)	5	Rubber Products	1
Hospitality (Hotels/Motels/ Full-Service Restaurants)	3	Scientific Equipment & Industrial Measuring Instruments (incl. Medical Supplies)	4
Insurance	14	Stone, Clay, Glass & Concrete Products	4
Merchandising (Retail/Wholesale)	10	Textiles & Apparel	2
Publishing	2	Widely Diversified	5
Real Estate	1	Other Manufacturing Employers (NEC)	11
Research Organizations	6	GOVERNMENT/NONPROFIT EMPLOYERS	
Transportation	5	Education	3
Utilities	13	Government (Federal)	11
Other Service Employers (NEC)	6	Government (State & Local)	6
MANUFACTURING EMPLOYERS		Hospitals	1
Aerospace	13	Social Services/Private Agencies	3
Agriculture & Products	2	Other Nonprofit Employers (NEC)	3
Automotive & Mechanical Equipment	6		
Building Materials & Construction	12		

SURVEY RESPONDENTS

Below is a list of organizations that responded to the *2006 Experiential Education Survey*. (Please note: Although 303 organizations responded, the list below includes 193 employers, as 110 preferred not to be listed).

3M Co.	Colorado Springs Utilities	Haworth Inc.	PPL Corporation
Accredited Home Lenders	Comerica Bank	Hershey Entertainment & Resorts	Parsons
ACT Inc.	Compass Group NAD	Holcim Inc.	Pinnacle West Capital Corp.
ACUITY	Computer Associates Inc.	The HON Company	Pitt Ohio Express
Advanced Micro Devices Inc.	ConAgra Foods, Inc.	Honeywell	Pratt & Whitney
AIG	Concurrent Technologies Corporation	Hormel Foods Corp.	QUALCOMM Incorporated
Alabama Electric Cooperative, Inc.	Con-Way Transportation Services	Houston Community College - System	RSM McGladrey, Inc.
Allegheny Ludlum	Corporate Executive Board	Hutchinson Technology Inc.	Raytheon Company
Alliant Techsystems Inc.	DCS Corporation	Intuit Inc.	Rockwell Collins
Allstate Insurance	Dahlen, Berg & Co., Inc.	Jefferson County Personnel Board	S&C Electric Co.
ALLTEL Corporation	Deere & Company	JELD-WEN	SAP America Inc.
Alticor Inc.	Doeren Mayhew	Keenan Hopkins Suder & Stowell	SAS Institute Inc.
Amazon.com	Domino's Pizza, LLC	Kimberly-Clark Corporation	SGL/Silicon Graphics
Ameqy Bank	Doucet & Associates, Inc.	L-3 Communications Integrated Systems	Shell Oil Company
American Airlines Inc.	Duke Energy Corporation	The Lincoln Electric Co.	Siemens Westinghouse Power Corp.
American Eagle Outfitters	DuPont	Linde BOC Process Plants LLC	Sodexo
American Electric Power	Dynetics Inc.	Link-Belt Construction Equipment Co.	Southeastern Freight Lines
American Standard Inc.	E. & J. Gallo Winery	Lithia Motors	Southwest Research Institute
Ameriprise Financial	Eastman Chemical Company	L'Oreal USA	Space Systems/Loral Inc.
Apache Corporation	EchoStar/DISH Network	Los Alamos National Laboratory	St. Jude Medical Inc., CRMD
Applied Signal Technology Inc.	Ecolab Inc.	Luby's Restaurants Inc.	State Street
Archer Daniels Midland Co.	El Paso Corporation	Lyondell Chemical Company	Swales Aerospace
Argon ST	Emerson Process Mgt.-Fisher Controls Div	Manhard Consulting, Ltd.	SWIFT
Aronson & Company	EnCana Oil & Gas (USA) Inc.	Marathon Oil Co.	Swinerton Inc.
BAE Systems	Enterprise Rent-A-Car	MeadWestvaco Corporation	Synovus Financial Corporation
BBN Technologies	Ernst & Young LLP	Messer Construction Co.	Systems & Electronics Inc.
BOC Gases	Exelon Nuclear	Miller Brewing Company	TIBCO Software Inc.
BOK Financial Corporation	FMC Technologies, Inc.	Milliken & Company	Takeda Pharmaceuticals North America
Baker Hughes, Inc.	Farm Credit Financial Partners Inc.	Missile Defense Agency	Telcordia Technologies Inc.
Bank of America	Federal Energy Regulatory Commission	MIT Lincoln Laboratory	Teradyne Inc.
Barr Engineering	Fidelity Investments	Moog Inc.	Thales Communications Inc.
Bausch & Lomb Inc.	Fifth Third Bank	Motorola, Inc.	Tindall Corporation
Baxter Healthcare Corporation	FirstEnergy Corporation	National Instruments	Trader Publishing
Beckman Coulter Inc.	Forrester Construction Company	Nationwide	Turner Construction Company
Bibb & Associates, Inc.	FTI Consulting, Inc.	Naval Surface Warfare Center - Crane	Tyco International, Ltd.
Black & Decker	GAP Inc.	Navigant Consulting, Inc.	Tyson Foods, Inc.
Blackbaud, Inc.	GEI Consultants, Inc.	Nexen Petroleum U.S.A., Inc.	UHY Advisors-MI, Inc.
The Boeing Company	General Dynamics C4 Systems	The NORDAM Group	UOP LLC
Broadcom Corporation	General Mills Inc.	North Star Resource Group	USDA - Food Safety & Inspection Service
C&S Engineers, Inc.	Genworth Financial	Northrop Grumman - Newport News	Union Bank of California
CNA Insurance	Georgia Tech Research Institute	Northrop Grumman Corporation	Victory Packaging
CTL	Goldenberg Rosenthal, LLP	Northwestern Mutual Financial Network - Northwestern Mutual	Weyerhaeuser
Canon Development Americas Inc.	Gorton's Inc.	Nuclear Regulatory Commission	Whirlpool Corporation
Cargill Inc.	Guaranty Bank	Office of Legislative Audits	The Williams Companies
Celanese Chemicals	H.B. Maynard and Co., Inc.	Osram Pennsylvania Products Inc.	Xcel Energy
Central Intelligence Agency	HDR Inc.	Owens Corning	YAI/National Institute for People with Disabilities
Chevron Phillips Chemical Co. LP	Hallmark Cards	PNC Financial Services Group	Yum! Brands, Inc.
Cintas Corporation	Hannaford Bros. Co.		
Cisco Systems, Inc.	Harris Corporation		
College Pro			