ABSTRACT

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

Research Director: Camille Luckenbaugh
Editorial: Mimi Collins
Design: Karen Berger
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.
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.
## SURVEY RESPONDENTS

**Figure 32 Respondents by employer type**

<table>
<thead>
<tr>
<th>Employer Type</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SERVICE EMPLOYERS</strong></td>
<td></td>
</tr>
<tr>
<td>Accounting (Public)</td>
<td>11</td>
</tr>
<tr>
<td>Advertising</td>
<td>2</td>
</tr>
<tr>
<td>Banking (Commercial)</td>
<td>7</td>
</tr>
<tr>
<td>Banking (Investment)</td>
<td>3</td>
</tr>
<tr>
<td>Communication Services</td>
<td>6</td>
</tr>
<tr>
<td>Computer Software Development &amp; Data Processing Services</td>
<td>12</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>11</td>
</tr>
<tr>
<td>Engineering/Surveying</td>
<td>13</td>
</tr>
<tr>
<td>Environmental/Waste Management</td>
<td>1</td>
</tr>
<tr>
<td>Financial Services</td>
<td>17</td>
</tr>
<tr>
<td>Hospitality (Amusements/Recreation/ Fast-Food Restaurants)</td>
<td>5</td>
</tr>
<tr>
<td>Hospitality (Hotels/Motels/ Full-Service Restaurants)</td>
<td>3</td>
</tr>
<tr>
<td>Insurance</td>
<td>14</td>
</tr>
<tr>
<td>Merchandising (Retail/Wholesale)</td>
<td>10</td>
</tr>
<tr>
<td>Publishing</td>
<td>2</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1</td>
</tr>
<tr>
<td>Research Organizations</td>
<td>6</td>
</tr>
<tr>
<td>Transportation</td>
<td>5</td>
</tr>
<tr>
<td>Utilities</td>
<td>13</td>
</tr>
<tr>
<td>Other Service Employers (NEC)</td>
<td>6</td>
</tr>
<tr>
<td><strong>MANUFACTURING EMPLOYERS</strong></td>
<td></td>
</tr>
<tr>
<td>Aerospace</td>
<td>13</td>
</tr>
<tr>
<td>Agriculture &amp; Products</td>
<td>2</td>
</tr>
<tr>
<td>Automotive &amp; Mechanical Equipment</td>
<td>6</td>
</tr>
<tr>
<td>Building Materials &amp; Construction</td>
<td>12</td>
</tr>
<tr>
<td><strong>MANUFACTURING EMPLOYERS (cont.)</strong></td>
<td></td>
</tr>
<tr>
<td>Chemicals &amp; Allied Products</td>
<td>7</td>
</tr>
<tr>
<td>Computers &amp; Business Equipment</td>
<td>3</td>
</tr>
<tr>
<td>Electrical &amp; Electronic Machinery &amp; Equipment (incl. Communications)</td>
<td>21</td>
</tr>
<tr>
<td>Food &amp; Beverage Processing</td>
<td>11</td>
</tr>
<tr>
<td>Household &amp; Personal Care Products</td>
<td>6</td>
</tr>
<tr>
<td>Metal &amp; Metal Products</td>
<td>3</td>
</tr>
<tr>
<td>Packaging &amp; Allied Products</td>
<td>1</td>
</tr>
<tr>
<td>Paper &amp; Wood Products</td>
<td>4</td>
</tr>
<tr>
<td>Petroleum &amp; Allied Products</td>
<td>9</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>3</td>
</tr>
<tr>
<td>Rubber Products</td>
<td>1</td>
</tr>
<tr>
<td>Scientific Equipment &amp; Industrial Measuring Instruments (incl. Medical Supplies)</td>
<td>4</td>
</tr>
<tr>
<td>Stone, Clay, Glass &amp; Concrete Products</td>
<td>4</td>
</tr>
<tr>
<td>Textiles &amp; Apparel</td>
<td>2</td>
</tr>
<tr>
<td>Widely Diversified</td>
<td>5</td>
</tr>
<tr>
<td>Other Manufacturing Employers (NEC)</td>
<td>11</td>
</tr>
<tr>
<td><strong>GOVERNMENT/NONPROFIT EMPLOYERS</strong></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>3</td>
</tr>
<tr>
<td>Government (Federal)</td>
<td>11</td>
</tr>
<tr>
<td>Government (State &amp; Local)</td>
<td>6</td>
</tr>
<tr>
<td>Hospitals</td>
<td>1</td>
</tr>
<tr>
<td>Social Services/Private Agencies</td>
<td>3</td>
</tr>
<tr>
<td>Other Nonprofit Employers (NEC)</td>
<td>3</td>
</tr>
</tbody>
</table>
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.
Accredited Home Lenders
ACT Inc.
ACUITY
Advanced Micro Devices Inc.
AIG
Alabama Electric Cooperative, Inc.
Allegheny Ludlum
Alliant Techsystems Inc.
Allestate Insurance
ALLTEL Corporation
Alticor Inc.
Amazon.com
Amegy Bank
American Airlines Inc.
American Eagle Outfitters
American Electric Power
American Standard Inc.
Ameriprise Financial
Apache Corporation
Applied Signal Technology Inc.
Archer Daniels Midland Co.
Argon ST
Arsonon & Company
BAE Systems
BBN Technologies
BOK Financial Corporation
Baker Hughes, Inc.
Bank of America
Barr Engineering
Bausch & Lomb Inc.
Baxter Healthcare Corporation
Beckman Coulter Inc.
Bibb & Associates, Inc.
Black & Decker
Blackbaud, Inc.
The Boeing Company
Broadcom Corporation
C&S Engineers, Inc.
CNA Insurance
CTR
Canon Development Americas Inc.
Cargill Inc.
Celanese Chemicals
Central Intelligence Agency
Chevron Phillips Chemical Co. LP
Cintas Corporation
Cisco Systems, Inc.
College Pro
Colorado Springs Utilities
Comerica Bank
Compass Group NAD
Computer Associates Inc.
ConAgra Foods, Inc.
Concurrent Technologies Corporation
Con-Way Transportation Services
Corporate Executive Board
DCS Corporation
Dahlen, Berg & Co., Inc.
Deere & Company
Doeren Mayhew
Domino's Pizza, LLC
Doucet & Associates, Inc.
Duke Energy Corporation
DuPont
Dynetics Inc.
E. & J. Gallo Winery
Eastman Chemical Company
EchoStar/DISH Network
Ecolab Inc.
El Paso Corporation
Emerson Process Mgt.-Fisher Controls Div
EnCana Oil & Gas (USA) Inc.
Enterprise Rent-A-Car
Ernst & Young LLP
Exelon Nuclear
FMC Technologies, Inc.
Farm Credit Financial Partners Inc.
Federal Energy Regulatory Commission
Fidelity Investments
Fifth Third Bank
FirstEnergy Corporation
Forrester Construction Company
FTI Consulting, Inc.
GAP Inc.
GEI Consultants, Inc.
General Dynamics C4 Systems
General Mills Inc.
Genworth Financial
Georgia Tech Research Institute
Goldenberg Rosenthal, LLP
Gorton’s Inc.
Guaranty Bank
H.B. Maynard and Co., Inc.
HDR Inc.
Hallmark Cards
Hannaford Bros. Co.
Harris Corporation
Haworth Inc.
Hershey Entertainment & Resorts
Holcim Inc.
The HON Company
Honeywell
Hormel Foods Corp.
Houston Community College - System
Hutchinson Technology Inc.
Intuit Inc.
Jefferson County Personnel Board
JELD-WEN
Keenan Hopkins Suder & Stowell
Kimberly-Clark Corporation
L-3 Communications Integrated Systems
The Lincoln Electric Co.
Linde BOC Process Plants LLC
Link-Belt Construction Equipment Co.
Lithia Motors
L’Oreal USA
Los Alamos National Laboratory
Luby’s Restaurants Inc.
Lyondell Chemical Company
Manhard Consulting, Ltd.
Marathon Oil Co.
MeadWestvaco Corporation
Messer Construction Co.
Millar Brewing Company
Milliken & Company
Missile Defense Agency
MIT Lincoln Laboratory
Moog Inc.
Motorola, Inc.
National Instruments
Nationwide
Naval Surface Warfare Center - Crane
Navegant Consulting, Inc.
Nexen Petroleum U.S.A., Inc.
The NORDAM Group
North Star Resource Group
Northrop Grumman - Newport News
Northrop Grumman Corporation
Northwestern Mutual Financial Network - Northwestern Mutual
Nuclear Regulatory Commission
Office of Legislative Audits
Osram Sylvania Products Inc.
Owens Corning
PNC Financial Services Group
PPL Corporation
Parsons
Pinnacle West Capital Corp.
Pitt Ohio Express
Pratt & Whitney
QUALCOMM Incorporated
RSM McGladrey, Inc.
Raytheon Company
Rockwell Collins
S&C Electric Co.
SAP America Inc.
SAS Institute Inc.
SGI/Silicon Graphics
Shell Oil Company
Siemens Westinghouse Power Corp.
Sodexo
Southeastern Freight Lines
Southwest Research Institute
Space Systems/Loral Inc.
St. Jude Medical Inc., CRMD
State Street
Swales Aerospace
SWIFT
Swinerton Inc.
Synovus Financial Corporation
Systems & Electronics Inc.
TIBCO Software Inc.
Takeda Pharmaceuticals North America
Telcordia Technologies Inc.
Teradyne Inc.
Thales Communications Inc.
Tindall Corporation
Trader Publishing
Turner Construction Company
Tyco International, Ltd.
Tyson Foods, Inc.
UYH Advisors-MI, Inc.
UOP LLC
USDA - Food Safety & Inspection Service
Union Bank of California
Victory Packaging
Weyerhaeuser
Whirlpool Corporation
The Williams Companies
Xcel Energy
YAI/National Institute for People with Disabilities
Yum! Brands, Inc.