

WHY ENTREPRENEURS SHOULD HIRE INTERNS

WHY INTERNS?

More and more employers are struggling to find the right people to join their team. And the pain is increasingly acute as baby boomers retire and young, college-educated people leave Ohio for perceived better opportunities in economic centers like Silicon Valley or Research Triangle Park in North Carolina. Further, finding workers with the same experience as retiring baby boomers is virtually impossible. This leadership gap can be avoided if employers focus on filling their talent pipeline – finding the right workers and developing them as needed. A great way to do that is with internships, which help employers accomplish the following:

- >> Work with potential employees before hiring them full-time
- >> Ensure an employee fits with an organization before making the offer
- >> Increase the acceptance of job offers
- >> Improve the retention of new college graduates – students who intern with an organization are more likely to stay longer, reducing hiring costs and expensive turnovers

But there is more to it than filling the talent pipeline. You also get some fast, immediate results:

- >> Good help without the time and cash commitment required to find a full-time employee, which can be especially useful to help with staff shortages during summer vacations
- >> Affordable, innovative input to projects
- >> Assistance with customer projects, at a lower hourly rate, which can be beneficial for both you and your clients
- >> Productivity boost, allowing more expensive, senior employees to focus on high-value tasks

From a long-term perspective, employers can promote their organizations on campuses and provide feedback to schools about the content and quality of the topics they are teaching. If a student is not prepared for the work place, you can provide the vital feedback that schools need to develop curriculum, and therefore talent, that will meet your needs in the future.

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One local firm regularly hires interns instead of full-time employees because it saves them significant recruiting dollars. They estimate the cost, on average, is \$454 per intern, a significant saving from \$2,100 to recruit full-time employee.¹

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INTERNS ARE ESPECIALLY BENEFICIAL FOR SMALL ORGANIZATIONS

As a small employer, you know that internships are a good thing in principle, and you want to do what is smart for your organization. Yet internships may not be high on the priority list. Your gut says that hiring an intern will take a lot of time – time away from other, more important things. And money is tight – how will you afford to pay interns? If you do pay them, will you actually be able to develop them into a revenue producing role?

If you think an internship program at your small organization isn't feasible, keep reading.

"I DON'T HAVE ENOUGH TIME TO HIRE AN INTERN."

Finding college interns in Northeast Ohio is easier than one might think. The Northeast Ohio Council on Higher Education (NOCHE) administers NEOintern, a unique regional internship initiative which includes an online internship database. Employers using NEOintern.net will benefit from the following:

- >> *An efficient and cost-effective marketing approach reaching as many students as possible with one internship posting, at no cost to employers*
- >> *Ongoing collaborations with Northeast Ohio's colleges, universities, and other local organizations resulting in a continuous stream of new student registrations*
- >> *Training materials and workshops, designed specifically for Northeast Ohio employers, delivering best practices information to ensure the maximum "return on intern"*

"I CAN'T AFFORD INTERNS."

Having a quality internship program actually saves money in the long run. Because interns are paid less than regular employees, there can be a significant cost savings in having interns help with projects. Interns can also free up senior employees to focus on projects that require advanced skills.

Hiring interns can also reduce overall hiring costs. It costs less and is more effective to convert an intern into a full-time employee rather than hire an employee through the standard recruiting process. Not only does it cost less to recruit an intern than it does for a full-time employee, it also provides you with a pipeline of potential employees, further reducing your overall recruiting costs.

The most attractive benefit of interns for companies looking for full-time employees is the ability to "try before you buy," or directly observe and experience the intern at work. Think of an internship as an extended interview, one in which you are able to know for sure if a candidate is right for a position. Furthermore, studies show that employees who used to be interns at a company have a much higher retention rate than other employees, which translates into even more savings in reduced employee turnover.

There are also several programs available to Northeast Ohio employers to provide assistance in compensating interns. One of these is the Third Frontier Internship Program. This program compensates employers who have qualified interns in certain STEM (science, technology, engineering and math) fields. Employers can receive compensation for up to half of an intern's wages, up to \$3000.

"I CAN'T KEEP AN INTERN BUSY."

The key to keeping an intern busy is to provide a mix of short- and long-term projects. Short-term projects alleviate pressure on senior staff, though may require more supervision from you, and long-term, potentially lower priority, projects allow an intern maximum flexibility and less supervision.

The following best practices will help make sure you have the right combination of projects to keep your intern and you satisfied.

INDEPENDENT PROJECTS

By assigning a project to an intern that is primarily his or her responsibility, you provide an opportunity to do the following:

- >> Give the intern a sense of accomplishment and engagement with your organization.
- >> Evaluate the intern's ability to manage a project.
- >> Quickly identify the intern's strengths and weaknesses.
- >> Inject new ideas into your organization, as the intern will have the freedom to bring a fresh perspective to projects.
- >> Make progress on a project that will require minimal oversight.

BACKUP TASKS

Gauging the speed at which an intern can work is difficult, especially at the beginning of an internship. Therefore, always have tasks that an intern can work on when current projects are completed ahead of time. An intern should be given a backup task that he or she can work on, in the event a project is finished before the supervisor is able to assign something new. No employer wants to pay an intern to sit around waiting for something to do, and no intern wants to be bored – a frequent complaint from former interns.

The ideal backup task is something that an intern can work on without supervision or deadline pressure. This can be a very large task that the intern works on throughout the internship or a list of small tasks, such as summarizing relevant publications or articles that management does not have time to read.

ENTREPRENEURS SHOULD HIRE INTERNS

The bottom line is that interns can be especially beneficial to time-crunched entrepreneurs. The added low-cost resources can make a meaningful impact on your organization's productivity with minimal investment on your part.

Many Northeast Ohio entrepreneurs have had great success with interns – now it's your turn.

ABOUT NOCHE AND NEOINTERN.NET



NOCHE, www.noche.org, mobilizes the region's business and higher education communities for collective action that advances regional economic development. NOCHE member institutions include 21 colleges and universities in 14 counties in Northeast Ohio, representing 187,000 degree-seeking students. The organization's Board of Trustees consists of the presidents of the member institutions, joined by an equal number of senior business leaders from throughout the region.



NEOintern.net helps Northeast Ohio employers connect with interns. Started as a collaboration among five Northeast Ohio career services offices, NEOintern.net moved to NOCHE's offices in 2005. Since then, student participation has expanded across Northeast Ohio higher education institutions, and hundreds of students attending schools outside of Northeast Ohio have found internships through NOCHE's database.

¹ Northeast Ohio Council on Higher Education, "Internship Best Practices Workshop." (Cleveland, Ohio, July 2008).