

INTERNSHIP PROGRAMS 2022

Pulse Survey

When it comes to building a future workforce, robust internship programs are key to organizational growth. Over the past few years, the impact of the pandemic on internship programs often resulted in cancellations or large-scale alterations to pre-existing programs.

We conducted our 2022 Internship Program Pulse Survey to better understand the current state of internship programs and whether they continue to be impacted by factors including COVID-19, diversity, equity, and inclusion (DE&I) initiatives, and rising housing costs.

Participating companies (totaling 14 respondents) represent a variety of industries, including aerospace, consumer goods, meatpacking/processing, energy & utilities, healthcare, pharmaceutical, and technology.

SIZE AND STRUCTURE



There is no one-size-fits-all approach to creating an internship program. As our survey participants demonstrated, internship program size can vary drastically from company to company.

A few key indications from the survey are specific to one group of respondents. The participating organizations that have programs of 101-250 interns are primarily interested in filling a "talent pool shortage." This group also confirmed an impact on their programs as a result of an internal DE&I focus; additionally, this group does not pay directly for intern housing.

In terms of internship duration, the typical length of an internship has not been drastically affected for 2022 programs. 64% of organizations noted their internship program lasts 12 weeks; another 21% have varying length programs in the range of 10-12 weeks.

Seasonal internships are popular—86% of organizations choose this type of program for their interns. These programs tend to last from May or June to August. Meanwhile, 14% of respondents have hybrid programs or year-long ones with rotations.

Location of internship programs also varies from company to company. 43% of respondents host internships throughout the globe, while half of all respondents have internships based in the Americas.

KEY BENEFITS

Corporate internship programs can offer innumerable benefits to participating companies. One important contribution respondents identified in our 2022 survey is filling resource gaps. Contrast that to our 2021 Internship Program Pulse Survey, where the major objective for organizations was to achieve a return on investment (ROI) from their internship programs.

In this year's survey, when asked how organizations benefit from student internships (in a "check all that apply" approach), the following were listed as advantages:

- Filling resource gaps (29%)
- Source of future talent (86%)
- Component of Corporate Social Responsibility plan (29%)
- Supporting the development of a diverse workforce (29%)

Additionally, companies recognize that cancelling internship programs comes at a cost to the organization. A majority of participating companies (64%) expressed concern about the talent pool shortage that would be created by cancelling internships. Fortunately, with the pandemic nearly behind us, most companies felt that cancelling the 2022 program was unnecessary.

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In 2021, we found that the pandemic forced many organizations (59%) to transform their internship programs into virtual ones. By removing the benefits of in-person networking, virtual internship programs required more engagement with participants (and internal staff) to ensure that both business leaders and interns were clear on what was expected.

This year, the companies that previously conducted a virtual program—whether due to the pandemic or other factors—had the following insights to share:

"Interns for 2020 and 2021 completed fully virtual programs, and they ran smoothly without issues."

"We hosted virtual programs in 2020 and 2021, and they were very successful."

"[The most successful aspects were in the areas of] projects and engagement."

While previous years saw cancellations and large program overhauls, only one participant of the 2022 survey noted an organization-wide cancellation of internship programs for 2022; all other respondents are moving ahead with their programs for this year.

DE&I Initiatives

Across the globe, diversity, equity, and inclusion (DE&I) has taken the spotlight in recent years. In regard to upholding duty of care and corporate social responsibility, organizations are paying close attention to how they can better incorporate DE&I principles in their internal and external organizational objectives.

57% of survey-takers noted an impact on their internship program as a direct result of corporate focus on DE&I. One step taken by these organizations is "including a more diverse university list of schools to choose candidates from."

Housing Scarcity & COVID Impact

In 2022, the real estate market remains highly competitive, which contributes to the overall lack of housing. For U.S. domestic internships, the nationwide scarcity of rental housing is a critical factor reshaping internship programs.

Half of the organizations did not anticipate the scarcity of housing to impact their 2022 internship program. 57% of organizations do not assist interns in finding housing despite these circumstances. One company noted working with a local university to secure housing for interns.

None of the respondents suggested paying for housing directly. However, 21% of respondents are offering a higher lump sum for housing this year to help offset additional housing costs; this lump sum is tax protected.

Additionally, only one third of respondents pay directly for intern housing while the others do not.

For this year's programs, 58% of responding organizations do not anticipate COVID restrictions to affect their programs, while 25% do anticipate some effect. This group in particular also does not anticipate scarcity of housing to affect their programs; they also directly pay for intern housing and provide a lump sum that is tax protected.

Those who did anticipate an impact noted:

- Fewer internships than pre-COVID
- Fewer candidates
- Requests for virtual work that could not be accommodated
- Rapid rise in cost of housing
- Mixing virtual and in-person internships
- Interns expected but have difficulty in securing housing; hotels may become a necessity



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INTERN SUPPORT

For their 2022 programs, many organizations are providing alternate support to their incoming interns. For example, the large majority of organizations (93%) choose to provide a salary to interns. 64% also provide a lump sum while 57% provide housing. 43% also grant miscellaneous allowances and travel en route.

All of the participating organizations provided some kind of support. Although 29% provide immigration for international interns, no organization provides language training or cultural training through online tools, and only one addresses tax implications for international interns. With inclusion being uppermost in the minds of most organizations, language communications and cultural assimilation will become more important than ever for incoming interns to settle in and feel that they belong in an organization.

Other considerations mentioned include case-by-case vehicle shipments, housing websites with (primarily) college dorm options, and limited health and wellness benefits.

Of those who chose to give a lump sum to interns, 92% were tax protected allowances intended to assist with:

- Out-of-pocket costs to attend the internship program
- Relocation and living costs
- Travel to and from home/school to the internship location (including mileage, hotels, food, U-Haul, storage costs) and minimal housing
- Housing allowance in lieu of getting housing provided

One surveyed organization provided unique details about their program:

"A Lump Sum Payment will be paid to offset costs associated with relocation to the internship location (e.g., housing; deposits; utilities or furniture expenses; en-route expenses including meals, hotel, or airfare to and from the internship location; other incidental costs that result from the relocation) We offer two lump sums: one for relocation costs (mileage, airfare, hotel) and one for housing where we don't provide company-sponsored housing."

Another company shared that their interns could choose between the organization's corporate housing or a lump sum to self-book their housing.



The 2022 Internship Program Pulse Survey provided a valuable snapshot of this year's anticipated program structure across a variety of organizations. In addition to the survey results, a few companies provided additional insights regarding their programs.

"We are finding a marked increase in the amount of money interns want and a strong desire to do the internship virtually."

"We provide a relocation lump sum based on distance and a housing reimbursement amount based on location. We plan for interns to be on-site with the option for hybrid/flexible work."

"Immigration backlogs from COVID and hiring demands are what is limiting some of our international internships."

While the pandemic and scarcity of housing continue to challenge the outcome of internship programs, companies are becoming increasingly more aware of these factors and how to address them in order to achieve success. With DE&I principles under consideration, these programs will continue to adapt to external and internal factors for years to come.

At Cartus, we help support organizations to develop and implement future internship opportunities. For more information and guidance on your internship programs, contact your Cartus representative or email: cartussolutions@cartus.com.







