

COLLEGE AND UNIVERSITY INTERNSHIPS IN VERMONT SUMMARY OF CURRENT STATE

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1. Executive Summary

The Vermont Futures Project promotes the long-term economic health of Vermont providing opportunity for Vermonters. Through leadership, research and education, the Vermont Futures Project seeks to inform the conversation about Vermont's economic future and demonstrate how a healthy economy contributes to Vermont's vibrant communities and unique quality of life.

The Vermont Futures Project (VFP) launched this Vermont-based internship research project to evaluate whether internships might provide a way to engage and retain Vermont college students as they considered post-graduation plans. Internships through colleges and universities have been suggested by multiple parties as a strong potential avenue to connect students with Vermont employers and a talent pipeline to address Vermont's annual demand for 10,000 new workers.

Vermont's colleges and universities graduate about 7,200 students every year¹. Half of these students (53%, 3,800 students)² have had an internship with a profit or non-profit³, and additional set of students (+18%) have engaged in other field work experiences such as student teaching or clinical practicums. This means approximately 71% of students have had some type of work experience before graduating.⁴ Of the 3,800 business internships, about 2,000 (52%) are offered by Vermont employers,⁵ with the rest hosted in organizations outside the state or in other countries.

All 18 of the two- and four-year colleges in Vermont offer internship programs. Several schools <u>mandate</u> an internship as part of a graduation requirement for many majors. Based on the interview data, 99% of the students who want internships find them, thus it is our assessment that there is not an internship site supply problem.

¹ 6,200 with Bachelor of Arts or Bachelor of Science degrees; 1,000 with Associates degrees

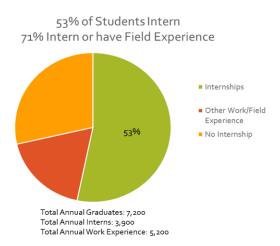
² This is in range with the national average of 60%. "Each graduating class since 2013 has had at least 60 percent of students participate in an internship and/or co-op at some point in their college career." (NACE)

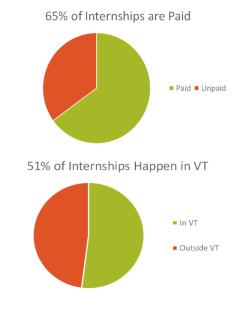
³ While schools differ in their definitions of an internship, this report uses to the National Association of Colleges and Employers (NACE) definition as a baseline, "An internship is a form of experiential learning that integrates knowledge and theory learned in the classroom with practical application and skills development in a <u>professional</u> setting. Internships give students the opportunity to gain valuable applied experience and make connections in professional fields they are considering for career paths; and give employers the opportunity to guide and evaluate talent." http://www.naceweb.org/

⁴ The actual number is probably higher given that Internship offices do not have full visibility to all internships, especially those that happen over the summer and outside a class/curriculum requirement.

⁵ For additional context, this study looked at students from undergraduate programs within the state. It did not cover high school graduates who directly enter the workforce, which likely would require a different set of recommendations.

Statistics





Vermont colleges and universities support internship students <u>and</u> employers with staff, on-line tools, and programming such as college hiring fairs. Most schools have formal programs, with internship contracts on both sides (student and employer) that spell out the work assignment and expectations. Few internships are "get the coffee" anymore.

One area of concern for the state is the conversion of internships to jobs. National data indicates 67% of internships turn into job offers. While specific data on conversions is collected by only a few Vermont schools, most of Vermont's program directors believe Vermont's rate of internship-to-job conversion is well under 60%, significantly below the national rate. Only one Vermont college reports a conversion rate above the national average (75%). There is more on this topic in the "Internship Outcomes" section.

Some schools implement best practices that could benefit all schools. These practices are noted and discussed in next section — "Variations in Internship Programs." All the internship and career professionals we interviewed also believe the system can be improved (see section on "Internship Improvements"), but that these improvements would not necessarily solve the major issue identified of turning internships into full-time jobs in Vermont.

The Vermont college and university system is very eager to work on improving college student retention in state, with a solid understanding of the economic risks posed to the state by the flight of talent. In addition, there is a healthy eco-system of employers, state and local government agencies, and non-profits, all providing areas of assistance (see the section on "Eco-systems").

⁶ NACE: "In 2017, the offer rate for interns was 67.1% and the acceptance rate was 76.4%"

We are also encouraged by two other factors. One, both anecdotal and available data suggest that students who chose to go to college in Vermont want to stay in Vermont post-graduation. Second, several of Vermont's college and universities are "net importers" of students, and subsequent workers; thus, indicating that in-state students desire to learn and work here, while also attracting a significant out-of-state student population that finds Vermont's attractive for academic study and life outside the classroom.

2. Variations in Internship Programs

Many professionals contacted for interviews expressed a willingness to share best practice information with other Vermont institutions. Common best practice traits reported among many schools include:

- Using National Association of Colleges and Employers (NACE) definitions and guidelines to work with students and employers, including: formal documents, contracts, job descriptions, and employer and student evaluations.
- A staffed office and online resources for students to self-help. Much of this information is available publicly on school web sites and available for sharing.
- Almost every school has a searchable database of opportunities tailored to their students.

We also noted the following variations among programs. Some of these are aligned to a given school's unique mission, while others are new and innovative ideas that could be more widely adopted:

- Mandatory requirement for participation in an internship, aligned to the student's major and tracked via a required course that also includes feedback and learning with a faculty member and cohort peers. This allows for ongoing learning, faster involvement in the case of issues, better faculty engagement, and better tracking.
- Programs that can track all "field experience" learning opportunities for each student, even if such opportunities are coordinated outside of the career office (e.g. student teaching). This allows for a more holistic view of the student population's internship/practicum experience.
- Provide funding for internships that are unpaid or underpaid (often via an alumni fund⁷).
- Offer inexpensive and/or subsidized on-campus housing during summer internships to reduce barriers for students and businesses (non-profits and small businesses) with fewer financial resources.
- "Workplace training" classes to teach students about job expectations, workplace etiquette, and their legal rights in the workplace.
- Intentional curriculum alignment to high demand skills, including courses developed in conjunction with specific employers, and "certificates" to demonstrate proficiency for specific skills. This is an interesting way to augment a Bachelors or Associates degree program with the specific skill development that an employer needs.

3. Internship Outcomes

Only five of the 11 schools contacted track the success rate of internships leading to job offers,⁸ and for most of these schools the numbers are not complete. This is due to a heavy reliance on student-

⁷ For context, one school's fund annually provides \$200,000 to support students. However, the demand for internship support still exceeds this generous figure.

⁸ The five schools that do track this number reported rates of: 11%, 14%, 46%, 52%, and 75%.

submitted post-graduation surveys to gather the data. For 2017, NACE reported that nationally 67% of internships lead to a job offer. Most Vermont internship professionals estimate the percentage is much lower for Vermont students. Possible factors cited include:

- A smaller percent of large employers in the state (compared to national averages), thus fewer new hires every year.
- A high number of companies in-state are non-profits and small businesses that are incapable of funding full-time positions.
- A competitive salary environment outside Vermont, where graduates can move out-of-state and make significantly more money.
- In certain majors, Vermont employers cannot consume all the annual graduates.

4. Eco-system

There are three major types of players in Vermont's internship eco-system: the supply of students (via the colleges), the demand for interns (via the employers) and the complementors: state, regional, and non-profit agencies who help enable grant monies, make connections between students and employers, educate students and employers, and create policies that impact all parties. The graphic is a visual representation; Appendix 7 has a full table listing.



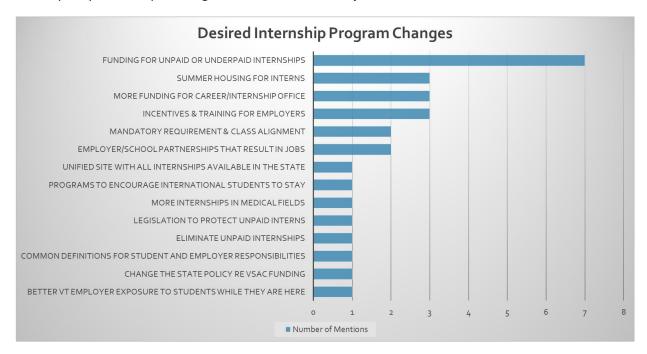
5. Internship Improvements

Among the internship professionals interviewed, the most commonly requested internship program improvement was for more funding to augment student internships. There is also a shared interest in finding or funding affordable summer housing for interns so out-of-state students can intern in-state or allow Vermont resident students to explore new parts of the state. In both cases, the motivation is to

⁹ Graph shows most oft requested improvement to the internship system from college directors.

lower the barriers to internships. Many students already work part-time jobs to offset college costs and struggle on an unpaid or underpaid internship without support. About 40% of internships in the state are unpaid.

The following chart notes many of the other ideas mentioned during the interviews. They include restricting VSAC grant and loans monies to in-state schools, and better school/employer programs to incent quality internship offerings that turn into full time jobs.



6. Recommendations

Therefore, the Vermont Futures Project recommends the following, with the understanding that each school, employer, and complementor organization may create unique programs and policies most applicable to their respective populations:

For Schools

Make strong use of the existing Vermont Internship Professionals Network (VIPN) to share best practice info. Ideally:

- Create common definitions of two types of internships so that every school is using the same language:
 - "Business/non-profit internships", and
 - "Inclusive internships" (business/non-profit plus student teaching, practicums, research)
- Agree to extend the success metrics of the internship based on student ratings, employer ratings
 AND the conversion of an internship to a job
- Start or expand programs that have direct touch with regional employers
- Exploit all funding sources, including workforce education and training (WET) agencies, private foundations, and federal grants to help students offset costs and/or try new experiences
- Consider making an internship mandatory as a condition of graduation

- Extend cost-effective summer housing to all Vermont college interns, even outside your student population, especially in populous/expensive areas of the state
- Consider a "workplace training" class to train students in communication skills, resume building, legal rights, etc.
- Consider standardizing internship posting requirements and/or creating a common source to ease employer posting work (one employer post = many sites)

For Regional Development Corporations and other Complementors

• Examine the use case examples in the Appendix: Best Practices to improve collaboration and cooperation in creating programs between schools and employers that can lead to real job creation in the region.

For Vermont Employers

- Realize that talent pipeline planning is a key part of your business, and that the competition for new hires is nationwide¹⁰. Nationwide, 75% of companies with internship programs run them to recruit entry-level employees. Visit the NACE website for overview information. Begin an internship-to-job pipeline program with your local high school or college.
- Market your company to in-state students while they are here. Anecdotal evidence suggests that a percent of students return to Vermont after trying an out-of-state experience.

For Vermont Policy Makers

- Examine the policy examples from Maine and New York, outlined in Appendix: Examples from other States, which aim to attract and retain college graduates
- Examine the "wish list" in section 5. Of particular note:
 - Legislation to protect unpaid interns in the workplace
 - o Programs to retain international students after graduation
 - Expanded funding for state college intern offices; and,
 - Changes to Vermont Student Assistance Corporation (VSAC) practices to keep more money in-state

7. Appendix: Complementors

Eco-system Partner	General Role	Web Site		
Supply side (Students)				
Two- and Four-Year Colleges in Vermont	Educates students, connects to employers	Various		
Vermont Internship Professional Network (VIPN)	Professional network for Vermont career professionals; meets three times per year. Includes college and high school professionals	No web site		

¹⁰ One school has 10X the number of intern jobs posted out of state compared to in state.

Demand Side (Jobs)						
Employers	Provide quality work experience for students; ideally hire high percentage of interns	Various				
	Complementors (Non-Profits and Agencies)					
State						
State of Vermont, Dept. of Labor, Workforce Training	Handles several functions: creates policies (i.e. Act 46), that change workforce education and training; handles \$1M in WET grants annually (including for HS and college internships); running career fairs and job listing services, etc.	http://labor.vermont.gov/workforce-development/				
State of Vermont, Dept. of Human Resources	Handles several functions: operates the Vermont Career web site with information about hiring, laws, jobs, etc. in Vermont; covers state agency internships as part of the "talent acquisition" topic; offers their own internships	http://humanresources.vermont.gov/talent-acquisition/internships-and-temp-hiring-options				
Agency of Commerce and Community Development (ACCD)	ACCD encompasses three major state departments to "enhance the Vermont business climate, market Vermont to tourists and others, and strengthen our communities".	http://accd.vermont.gov/economic-development/				
Vermont Training Program	Can fund work-based learning programs for Vermont students and manufacturers and other regionally significant employers. In FY 2017 the program awarded grants to assist 2,237 workers to 56 businesses.	http://accd.vermont.gov/economic-development/funding-incentives/vtp				
Regional Development Corporations (RDC)	12 RDCs exist throughout the state and implement programs for their local regions, often including something for internships	http://accd.vermont.gov/economic- development/resources/rdc				
Non-Profits						
Vermont Talent Pipeline Management	A workforce initiative that uses supply chain principles to transform education and workforce systems to become employer-led and demand-driven.	www.vermonttpm.com				
70 x 2025 VT Partnership	A non-profit whose focus is to enhance systems that support post-high school training and education. Their goal: by 2025, have 70% of Vermont adults should have a post-secondary degree	http://70x2025vt.org/				
Beacon, VT	A Facebook community dedicated to vetting and matching college students with local entrepreneurs	Facebook				
BTV Ignite	Founded in 2014, BTV Ignite helps take advantage of Burlington's city-wide fiber optic gigabit network infrastructure; it has a broad mission to: start and grow new businesses, create new jobs and promote the skills needed to fill them, offer STEM experiences for our students, launch "smart" city services, and ensure these opportunities are inclusive and accessible for everyone	https://www.btvignite.com/				

Institute for American Apprenticeships (was Vermont HiTech)	Founded in 2000, offers "non-accredited associate degrees and certificates in the areas of Allied Health, Information Technology, Business Services, and Advanced Manufacturing (1,200 students trained and 100 interns place in 14 years).	http://www.vthitec.org/				
The J. Warren and Lois McClure Foundation	"The J. Warren & Lois McClure Foundation, a supporting organization of the Vermont Community Foundation, is guided by a vision of a vibrant Vermont economy in which no promising job goes unfilled for lack of a qualified applicant." It awards grants in many areas of workforce development and higher education to agencies across the state.	mcclurevt.org/pathways				
ThinkVermont	Joint venture between Dept of Labor and Commerce to encourage people to stay or move to Vermont. List consolidator for internships in state.	https://www.thinkvermont.com/				
VBSR (Vermont Business for Social Responsibility)	"A mission to foster a business ethic in Vermont that recognizes the opportunity and responsibility of the business community to set a high standard for protecting the natural, human, and economic environments of our citizens." Part of the organization is dedicated to facilitating paid internships across the state with tools, postings, and grant monies.	https://vbsr.org/for-internship-job-seekersvermont-intern-program/				
	Other					
Six College Collaborative Internship Program	Six College Collaborative Internship Program offers works to partner currently enrolled college students and recent graduates with local companies through paid internship opportunities. Done in partnership with the The Brattleboro Development Credit Corp. (BDCC).	https://brattleborodevelopment.com/bdcc-six-college-collaborative-internship-program/				
Commercial sites that post internships and jobs	National on-line sites for internship and job postings: Internships.com; indeed.com; Monster.com, etc.	Various				

8. Appendix: Best Practices

The Vermont Futures Project identified the following new or best practice approaches worthy of evaluation and replication.

Example One: Lyndon College and iWOW

In 2006, Lyndon College created the *Incubator without Walls* (iWOW) program.¹¹

The program takes the concept of "intern" and turns it into "consultant." The school works with a local small/medium-size business to identify an inhibitor to growth and then offers a consulting project to fix the problem (e.g. help a company implement a new tool like QuickBooks, launch a new website, or make a marketing change). This then allows for a financial case be made to the business that value will

¹¹ http://lyndonstate.edu/academics/center-for-rural-entrepreneurship/incubator-without-walls/

be created by adding an intern. The program is jointly funded by the employer and federal grant money. Over the ten-year lifetime of the iWOW program, they have worked with over 200 companies and created 200 new full-time jobs. (Note that this job creation was directly due the project but may not have resulted in the intern/s being hired.) One of the additional benefits of this program is that it provides a more challenging and focused internship experience; particularly since the projects are clearly defined through an effective scope of work process.

Example Two: Johnson State College and Lamoille County Mental Health and Laraway Youth and Family Services.

Johnson, Lamoille, and Laraway partnered to offer a program to Johnson students to train for a known employment gap at Lamoille in the area of Behavior Interventionists. The school created a curriculum, and the health agency created a 240-hour internship.

To fund the program, JSC was awarded a \$27,838 Next Generation grant from the Vermont Department of Labor for workforce development programs.

Student interns serving at Laraway Youth and Family Services (LYFS) and Lamoille County Mental Health (LCMH) received a stipend that equaled an hourly wage of \$9.00. Interns could make \$2,160 during the 240-hour internship. LYFS and LCMH contributed 30% of this stipend, contributing \$720 per student towards this stipend. Seven of the eight students in the program were offered positions; five accepted.

Example Three: CCV and Brattleboro Hospital

The Community College of Vermont and Brattleboro Hospital partnered to target an employment need for Medical Assistants. Together, they funded a scholarship for a tailored program of five classes that trained college students on the specific skills needed. Upon successful completion, a job offer was waiting. This type of short time and money investment also allows students to try a career before committing to many months and expense of a full degree.

Example Four: VTC and GW Plastics

Vermont Technical College and GW Plastics partnered to offer a unique two-year internship program. GW Plastics offered internships to students in year one to expose students to their work. If the students wanted to continue the experience for a second year, the company provided scholarships to support students' degree coursework.

Example Five: Bennington and pop-up classes

Bennington has a unique idea that allows professors to offer "pop up" or short-term classes (for credit), that can quickly tailor the school's curriculum to immediate topics, some of which are interesting to employers. For example, one class, funded with an NIH grant, covered the topic of PFOA toxicity in conjunction with the Center for Advancement of Public Action.

9. Appendix: Examples in other states

Two examples stood out in the research, although there are probably additional ones to discover.

Example one: New York State Excelsior Scholarship Program

In 2018, New York State expanded the state budget to start offering free tuition at City University of New York (CUNY) or State University of New York (SUNY) schools as long as students:

- Be residents of New York State,
- Attend a SUNY or CUNY two- or four-year degree program,
- Take 30 credits per calendar year (including January and summer sessions), and,
- Plan to live and work in New York following graduation for the length of time they participate in the scholarship program¹²

This free tuition program is offered through their Excelsior Scholarship program, described as follows,

"A recipient of an Excelsior Scholarship may receive up to \$5,500. To determine the award amount, the resident tuition rate charged by SUNY (currently \$6,470) or CUNY (currently \$6,330) will be reduced by the amount of certain other student financial aid awards which an applicant has or will receive for the academic year, including a NYS Tuition Assistance Program (TAP) award and/or federal Pell grant. The Excelsior Scholarship will cover any remaining tuition liability up to \$5,500; and a tuition credit will cover any remaining tuition expenses not covered by the Excelsior Scholarship." ¹³

This program provides a win-win for students and the State of New York. It's attractive to students who are evaluating the extensive college costs and provides the State of New York with a means to keep college graduates within the state for multiple years post-graduation. According to one Vermont college, they have already lost approximately 50 students to this program.

Example Two: Live and Work in Maine

Maine, who has a similar demographic challenge to Vermont, launched a program in late 2015 called *Live and Work in Maine*. The program centers around a website¹⁴ that organizes and simplifies information on how to find jobs in Maine and provides insight to those considering a move to Maine. It appears to be similar in concept to "ThinkVermont."

According to the web site, "Our mission is to show the world that in Maine, you can have it all when it comes to quality of life **and** quality of career."

This campaign is driven by a for-profit company that is one of the largest recruiting companies in the state. Given the for-profit support there exists a natural incentive for them to keep all job listings up-to-date, thus providing the State of Maine current and relevant job marketing materials to attract new workers.

One of the specific programs highlighted is specifically designed to attract or retain college students. It includes tax credits to offset college tuition loans for students who stay in the state or move to the state. Similar to the New York State program, but operationally different, it seeks to encourage students to attend school, and then live and work in Maine after they graduate.¹⁵

¹² https://www.ny.gov/programs/tuition-free-degree-program-excelsior-scholarship

¹³ https://www.ny.gov/programs/tuition-free-degree-program-excelsior-scholarship

¹⁴ http://www.liveandworkinmaine.com

¹⁵ http://www.liveandworkinmaine.com/opportunity-maine/

In essence, you get a tax credit for any loan amounts paid during a year you also worked in Maine; with a benchmark of about \$350/month, approximately \$4,000 annually.

10. Appendix: Methodology

This data is aggregated from interviews with internship or career counseling staff at 11 of the 18 colleges and universities across the state, representing 91% of the college student population. Interview data was combined with public information and aggregated into Vermont-wide numbers. Reports from National Association of College and Employers (NACE), the State of Vermont, multiple job posting sites, eco-system partner sites, and programs working in other states were also examined.

11. Researcher: Judy Beningson



This research initiative was conducted by Judy Beningson pro bono on behalf of the Vermont Futures Project. Judy is a technology business leader with deep expertise in strategic planning and product management. Over her 30-year career, she held roles at internet tech companies, most recently at Juniper Networks, a \$4B public company, where she led a wide range of developments, from billion-dollar product lines to start-up growth efforts in cloud computing and virtualization. She is President of Resolved Projects, L.L.C., a Vermont-based company, which provides strategic and product management consulting for technology firms who need to drive decisions.



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