

CHALLENGING THE ASSUMPTIONS THAT SUPPORT INTERNSHIPS AS A PATHWAY INTO EMPLOYMENT

“To be honest I would work free for the first three years if I had to...”

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Bare essentials
No mortgage? No sweat
Gen Y: from sexual peak
to killer hangovers
Jack Monroe's
starter kitchen
How to live
for free

**Wanted:
overqualified
graduate
for unpaid work.
Experience
essential**

g2
GENERATION Y

The practice of internships and educationally focused work experience has significantly expanded in recent years

Internships generally refer to a period of time when an individual, who is either paid or unpaid, attends a workplace and participates in its day to day functions



ASSUMPTIONS



But what is the evidence for these assumptions?

- Link between access to internships and employability seem plausible
- Yet this link is based on two key related assumptions
 - It is possible, merely by doing an internship, to acquire a **competitive advantage** in the labour market over job-seeking peers who do not participate; and
 - Where participation is not universal, internships do in fact improve employability and lead to **better employment outcomes**



ASSUMPTION 1: INTERNSHIPS DELIVER COMPETITIVE ADVANTAGE

- Universities + vocational education have significantly expanded WIL
- Widely believed that job candidates who have not gained work experience through an internship will 'have little or no chance of receiving a job offer' (Purcell et al 2017; Roberts 2017)
- So how can job-seekers continue to differentiate themselves from their peers when many, or all of their peers have participated?



ASSUMPTION 1: INTERNSHIPS DELIVER COMPETITIVE ADVANTAGE: EVIDENCE

- **US:** 1.3% of the labour force are interns (Perlin 2011)
- **Creative graduates** prepared to work 1000 free hrs (Siebert & Wilson 2013)
- **Europe:** 46% participated in > 1 unpaid traineeship (European Commission 2013)
- **UK:** 45% of 22,000 grads surveyed secured entry-level jobs via internships (Graduate Prospects); number of internships 70,000 (Roberts 2017)
- **Canada:** 42% uni students institutionally organised placement (Kramer & Usher 2011)
- **Australia:** 58% R's aged 18-29 participated in at least one episode of unpaid work experience in the past 5 years (Oliver et al 2016)





COMPETITIVE ADVANTAGE (CONT'D)

- As internships become a central dimension of tertiary study, previous differentiation benefits are potentially erased
- Young people may seek multiple internships, for longer periods or in higher status or internationally recognised organisations
- Unintended effect of downward pressure on the wages and opportunities of other workers



ASSUMPTION 2: INTERNSHIPS IMPROVE EMPLOYABILITY AND EMPLOYMENT OUTCOMES



- Primary justification for internships as a means to improve social advantage is through employability:
 - enhancement of skills, knowledge and experience;
 - matching human capital profile to labour market demands (Discenna 2016)
 - strategic investment by autonomous individuals
- Critical framings emphasise that employability is contextual, relational and structured by opportunities, inequalities and power relations (Boden & Nevada 2010; Tholen 2015)



ASSUMPTION 2: INTERNSHIPS AND SELF-REPORTED EMPLOYABILITY



- Most support for this assumption rests on self-reported perceptions from participants
- Student satisfaction generally positive; a 'braggable investment' (Corrigan 2015); essential strategy for gaining competitive edge (Cannon & Arnold 1998); experience that improves critical & analytical thinking (Kramer & Usher 2011; Oliver et al 2016)



ASSUMPTION 2: INTERNSHIPS AND EMPLOYMENT

OUTCOMES: EVIDENCE

- Outcomes according to more objective employment statistics is mixed
- Positive relationship between combined short-term structured workplace learning and classroom based VET (LSAY, Australia)
- Europe: 30% inferior traineeships; significantly less likely to result in employment; paid internships result in better outcomes than unpaid (O'Higgins & Pinedo 2017)
- Australia: participants in potentially unlawful unpaid work less likely to be employed or looking for work (Oliver et al 2016)
- No positive effect or reduced employment prospects for mandatory UWE as part of active labour market programs (Borland & Tseng 2011)

Evidence limited + difficult to compare studies



INTERNSHIPS: EQUITY AND ACCESS

- Patterns of class advantage and disadvantage are associated with wealthier families:
 - supporting children to participate in high-cost cities
 - strong existing networks in desirable, high-status organisations
 - confidence in navigating opaque recruitment practices effectively...
- Extending and even intensifying the mechanisms of socio-economic reproduction already evident in the education system (Hunt & Scott 2017)



EVIDENCE FOR THE LINK BETWEEN INTERNSHIPS AND REPRODUCTION OF ADVANTAGE/DISADVANTAGE

Low SES students struggle to afford living costs (travel, accommodation)

(Grant-Smith & McDonald 2016)

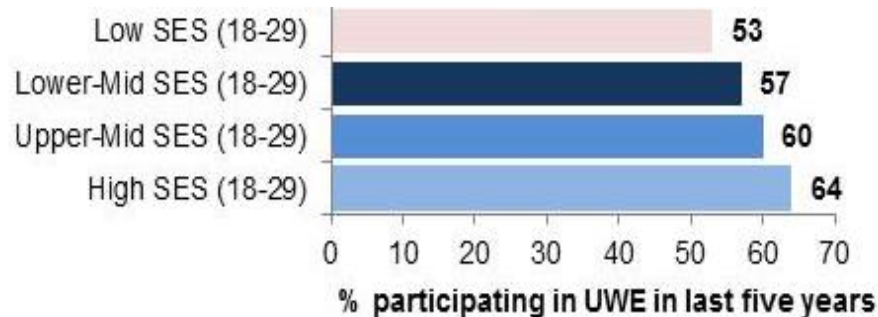
Low SES students less likely to participate in internships in general, but *paid* in particular; undermines the 'myth of meritocracy'

(Hunt & Scott 2017)



EVIDENCE FOR THE LINK BETWEEN INTERNSHIPS AND SOCIAL MOBILITY

- Prevalence survey found clear, positive relationship between SES and % who participated (Oliver, McDonald, Stewart & Hewitt 2016)
- Prevalence survey also showed that direct and indirect costs disproportionately borne by those from low SES backgrounds



SUMMARY

Competitive advantage; employment outcomes

Evidence suggests only tenuous support for the two assumptions (competitive advantage; positive employment outcomes)

Workplace exposure

Even individuals with extensive workplace exposure are less likely to stand out from their peers as the practice becomes ubiquitous

Job creation

As far as we know, rising participation in internships does not create jobs



SUMMARY

Pathways

Few large-scale studies that answer elusive questions about the pathways between internships and employment (rather than the more opaque notion of employability)

Challenges

Most enjoy internship experiences but evidence of exploitation, unequal access, and challenges in juggling multiple commitments, demand such questions are answered



POLICY AND REGULATION



Australian Government

Fair Work
OMBUDSMAN

- Policy solutions tend to be dualistic; they should:
- Ensure the focus is on developing workplace-specific skills;
- Ensure that financial considerations and existing networks are not a barrier to young people from less advantaged backgrounds accessing high quality internships
- Few countries have taken decisive action (except France which requires a tripartite arrangement; effective supervision; limited working hours)
- Specialised advocacy groups such as Intern Aware; Canadian Intern Association; Interns Australia may help curb some of the excesses

POLICY CHALLENGES

- Employers play a key role in terms of access and quality
- Universities also key – small wage subsidies for SMEs; banning placements > 4 weeks; providing a matching service for disadvantages students (Roberts 2017); supervised studio-based project work (Jones et al 2009); simulated or online work place experiences and interactions (Harthill 2014; Llewellynn & Clarke 2013)
- Need to more closely interrogate assumptions about the relationship between internships and employability and about why, how and at what (or whose) cost it should be enhanced.

