

## **Evaluating the Effectiveness of MBA Internship Programme – An Experiential Approach**

Dr Gunmala Suri\* & Shikha Sharma\*\*

### **Abstract**

MBA internship is the opportunity for full-time a MBA student, that generally takes place in the summer between the first and second years of a MBA programmes, to gain the critical job experience. The focus of the current study is to investigate the plausible predictors of MBA internship effectiveness. Secondly, to understand the type of responsibilities assigned to the students during their internship programs, and to achieve these objectives data is collected with the help of self administered questionnaire. The questionnaires were filled up by 138 interns of MBA (2011 Session) of University Business School, Panjab University. The study concludes that Skill development and Learning acquired are two important aspects which affect the overall effectiveness of an internship. Data collection and conducting survey is the preferable job responsibility which employers assign to the interns during their internship trainings. Very less number of interns got the opportunity to take part in strategic decision making process.

**Keywords:** Experiential, Internship, Effectiveness, Skill development, Corporate Experience, Learning, Responsibility.

### **Introduction**

An internship can be defined as minutely well monitored work/ service experience in which a student has intentional learning goals and objectives. Internship should reflect actively on what an intern is learning throughout the experience. In today's competitive Environment lots of Universities/colleges including B-schools incorporate the Internships programs as the part of their curricula with the objective to enhance the experiential learning and to build a student's connection between academic content and "real world" applications. The concept of experiential learning is very old and it dates back to the early periods of Medieval Europe. Earlier such vocational training/Internships used to take the shape of apprenticeships ranging from five to seven years of service. It is only in late 1970s and '80s when more and more colleges and universities came up with the concept of time-specific internships. To make the internships more appealing and productive for student's universities started the added concept of giving course credit for internships.

These programmes served as a gateway for students to try out possible future careers and get the gist of the Corporate Environment without the commitment of having to work on a full-time employment. On the other hand for employers, internships are a less risky risk approach of trying the potential before offering any commitment to the candidate. Employers can make employment offers to interns who meet their set performance standards, and who acts as a best

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\* University Business School, Panjab University, Chandigarh. E-mail: g\_suri@pu.ac.in

\*\* University Business School, Panjab University, Chandigarh. E-mail: shikha\_3107@yahoo.com

“fit” with the organization. Seeing these benefits of internship for both the employers and students the lack of systematic research on this area is quite surprising.

To address this gap, MBA interns of 2011 session of University Business School, Panjab University were surveyed after their internships to get the glimpse of the likelihood predictors which affect the overall effectiveness of internship that the Employer, sponsoring university should keep in mind while designing the program. Beside this a sincere attempt is made to understand the significant difference between the Effectiveness of an Internship achieved by the students of one Stream of MBA from the other stream.

## Literature Review

There are many definitions prevalent for the Internship; the most elaborative one is given by J. Miller (1982), from the U.S. Department of Education who termed the internship as an experiential education. According to him, “All those programs that are designed with the objective of expanding the setting of learning experiences far ahead of the traditional school environment to occupational and community settings and these programs use planned experiences in order to encourage cooperation between educational institutions and business, industry, labor, government and community groups to support learning”. He has given numerous examples of experiential education including the service learning internship, academic service-learning, community service-learning, cooperative education program, experiential learning and most commonly, an internship program.

The previous research and studies suggests that an experiential education program’s learning outcomes are classified by the five potential areas: personal, interpersonal, academic, employment, and civic (Baird, 1998; Conway, Amel, & Gerwein, 2002; Knapp, Fisher, & Levesque-Bristol, 2010). It was found from the study that the personal outcomes are more concentrated on an individual’s thoughts, skills, and values. To give strength to their findings a pre and post survey was done by Amel, Conway and Gerwein (2002) and they figured out that personal outcomes can change as of the result of service learning. The main results of this research projected that student who participated and involved in applied learning programs had greater volunteer motivation and moral development than students who did not participate in an applied program.

Designing and developing an internship programme takes lots of planning, brainstorming and discussions. Formalizing an internship program with written goals, expectations and outcomes may address the concerns and needs of intern as well as the company and community at large. According to Robert Kelly (1986), “In order to achieve goals set forth in an internship program design, the internship program must adapt to its environment by maximizing its assets and limiting its liabilities in competitive and cooperative relationships with other departments and organizations”. He proposes that the efficient way of practically applying this concept is by designing internships around existing Faculty strengths, as it will guarantee interns and their employers that support services would be available. The parties involved in designing internship programs should have well defined and pre defined roles and responsibilities. It is not the work of single person or department but it should include students, employers/supervisors, program coordinators, and the sponsoring university. The overview of the literature and research and development in the subject reveals that the effectiveness of internship and personal outcomes are more concentrated on an individual’s thoughts, skills, and values. Based on the literature review and results of the pilot study, the researcher made a sincere attempt to assess the effectiveness of

internship, and how it is affected by the skill development, learning acquired, experience gained, and the Responsibilities and Challenges faced during the internship.

### Research Objectives

The main objectives of the study are:

- a) To identify the plausible predictors of Effectiveness of an internship.
- b) To figure out the type of responsibilities assigned to the interns during the internship

### Hypothesis

**H<sub>1</sub>:** The skill development of student is a significant predictor of effectiveness of internship.

**H<sub>2</sub>:** Corporate Experience gained by the student is a significant predictor of effectiveness of internship.

**H<sub>3</sub>:** Learning acquired by the student is a significant predictor of effectiveness of internship.

### Research Methodology

#### Research Design

For this study, descriptive research was undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation.

#### Time Frame

The researcher conducted the study during the period from May 2011- June 2011.

#### Sample Size and Sample Unit

A size of 138 students of MBA (2011 session), of University Business School, Panjab University who have completed their MBA internship were taken as the sample for the study.

#### Data Collection Method

A Self-administered Questionnaire was used as primary data collection tool for this research.

#### Reliability of Questionnaire

SPSS was used to analyze the data. The reliability analysis was conducted in this research study to check the reliability of the scales used in the survey. The scale used in this study has demonstrated high reliability scores. Coefficient alpha scores range from 0.761 to 0.861 across the four dimensions of the scale. Below table shows the Cronbach's Alpha value for each of the factors/dimensions. Since all the values in the below table are more than 0.7, therefore this confirms the reliability of the questionnaire.

**Table 1.** Cronbach's Alpha value

<b>Reliability Statistics</b>	
<b>Name of factor</b>	<b>Cronbach's Alpha value</b>
<b>Skill Development</b>	0.761
<b>Corporate Experience</b>	0.861
<b>Effectiveness of Internship</b>	0.711

## Data Analysis And Findings

**To identify the likelihood predictors of Effectiveness of an Internship, regression analysis is used.** First mean scores of all the respondents were calculated for each of the three dimensions (Learning, Skill Development & Corporate Experience). Mean scores for the Internship Effectiveness scales were also computed for all the respondents. Then regression analysis was used to assess the relative importance of the three dimensions of the scale. The three dimensions were used as the independent variables with the sum score "Internship Effectiveness" as the dependent variable.

	<b>Learning</b>	<b>Skill Development</b>	<b>Corporate Experience</b>	<b>Internship Effectiveness</b>
<b>Learning</b>	1	.363	.646	.677
<b>Skill Development</b>	.363	1	.608	.378
<b>Corporate Experience</b>	.646	.608	1	.522
<b>Internship Effectiveness</b>	.677	.378	.522	1

To apply multiple regressions, first, correlations of all the variables with each other are tested. The result is shown in table 2. The values in the correlation table are standardized, and range from 0 to 1 (positive and negative). It is observed from the table that all the variables are correlated with Internship Effectiveness. This means that a fairly good set of independent variables (i.e. Learning, Skill Development & Corporate Experience) is chosen. Only the Skill Development doesn't appear to be strongly correlated (correlation coefficient is 0.378) with Internship Effectiveness. These correlations are one to one correlations of each variable with the others.

### Multiple Regression

A regression analysis is done to explain the variation in one variable (dependent variable), based on variation in one or more other variables (independent variables). The regression model of the following form has been used by entering all the three "X" variables in the model.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

Where Y is dependent variable i.e. Effectiveness of the internship,  $X_1$  (Learning Acquired by the intern during the internship),  $X_2$  (Skill development of the student),  $X_3$  (Corporate Experience gained by the student), 'a' is constant and  $b_1$ ,  $b_2$ ,  $b_3$  are the coefficients of variables.

Model	R	R <sup>2</sup>	Adjusted R Square	Std. Error of the Estimate
1	.677 <sup>a</sup>	.559	.545	.44368
2	.692 <sup>b</sup>	.579	.571	.43847

b. Predictors: (Constant), Learning, Skill development  
Source: Computed Data

The R<sup>2</sup> value from table 3 comes out to be 0.579. The result indicates that 57.9 % variation in effectiveness of internship is explained when the model is used. The result supports the idea that the predictive ability of model is okay.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.809	.244		7.415	.000
	Learning	.493	.053	.622	9.324	.000
	Skill development	.126	.055	.152	2.284	.024

c. Dependent Variable: Effectiveness

From Table 4, the above equation can be written as:

**Effectiveness of Internship = 1.809 + 0.493\* (Learning Acquired by an intern during the internship) + 0.126\* (Skill Development of the student)**

The p-level for skill development and learning acquired is observed to be statistically significant at a confidence level of 95% .The R<sup>2</sup> value is 0.579. We also note that t-test for significance of individual dependent variables indicates that at the significance level of 0.05 (confidence level of 95%), the variables viz. Learning acquired by an intern during the internship and Skill development of the student appears to be significant predictors of Effectiveness of an internship. This finding provides the support for the hypothesis H<sub>1</sub>, H<sub>3</sub> and thus we will accept hypothesis H<sub>1</sub>, H<sub>3</sub> and conclude that Learning acquired by an intern during the internship and Skill development of the student are significant predictors of Effectiveness of an internship. Therefore, H<sub>1</sub>, H<sub>3</sub> will be accepted.

Model		Beta In	T	Sig.	Partial Correlation	Collinearity Statistics Tolerance
2	Corporate Experience	.065 <sup>b</sup>	.683	.496	.059	.422

c. Dependent Variable: Effectiveness

Table 5 shows that the other independent variable viz. Corporate Experience is individually not significant at 95% confidence limit. The equation obtained, mentioned above, means that Effectiveness of an Internship will be higher, if more learning is acquired by an intern during the internship, or if skill development of the student is higher. There is one coefficient, i.e. Corporate Experience gained by the student, which doesn't make too much intuitive sense. The standardized beta value of Corporate Experience gained by the student i.e. 0.065 represents that if corporate experience gained by the student rises by one unit, then the Effectiveness of an internship will rise by 0.065 units. But if one looks at the individual variable t-tests, it shows that the coefficient of the independent variable Corporate Experience is not statistically significant (significance level= .496). Therefore, it is not to be used when interpreting regression, as it may lead to wrong conclusion. Hence it is concluded that, the Corporate Experience gained by the student is not significant predictor of Effectiveness of an internship. Therefore, the hypothesis H<sub>2</sub> is rejected.

**To figure out the type of responsibilities assigned to the interns during the internship, percentage is used**

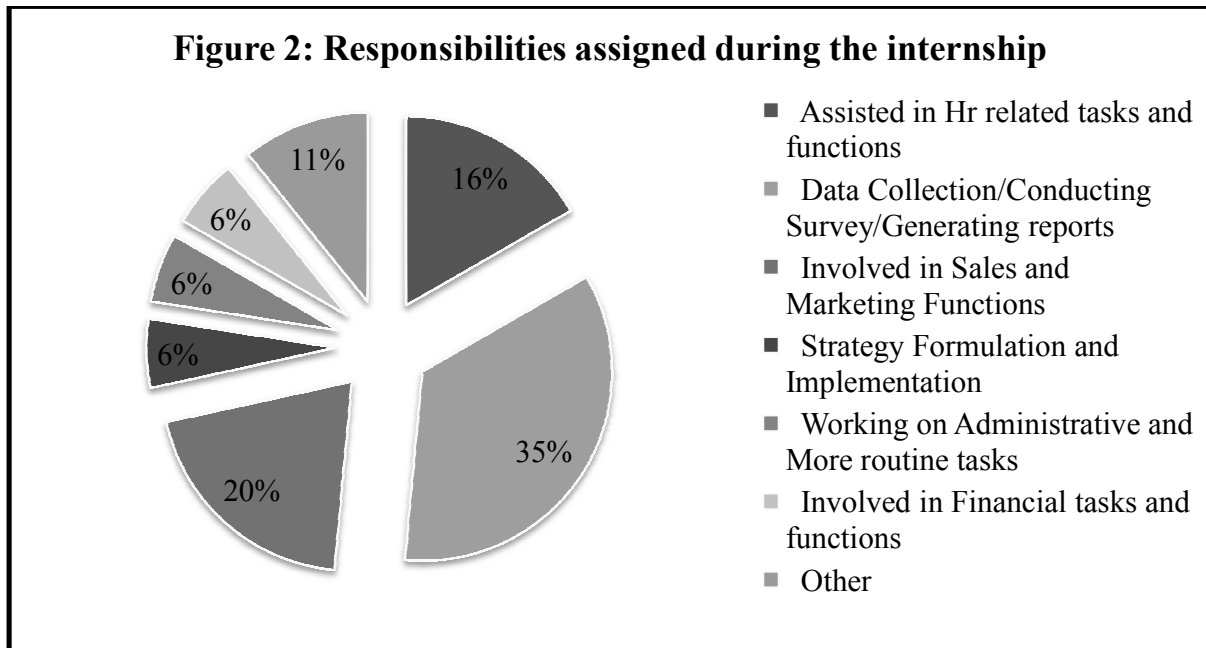
According to Table 6, 34 % of the students were given the task of Data Collection, Conducting Surveys and Generating reports.

<b>Responsibilities</b>	<b>Frequency</b>	<b>Percentage</b>
Assisted in Hr related tasks and functions	34	17
Data Collection/Conducting Surveys	71	35
Involved in Sales and Marketing Functions	41	20
Strategy Formulation and Implementation	12	6
Working on Administrative and More routine tasks	12	6
Involved in Financial tasks and functions	12	6
Other	22	10
Total	204	100

We can easily draw a conclusion from the result of this study that Data Collection is the basic Responsibility which most of the Organization prefer to assign to their interns, very few organization involves the interns in the jobs which involves Organization planning and control , which is again very much visible from the score card above, only 6% students are directly involved in the primary tasks of Strategy Formulation and Implementation and other decision making tasks which require high level of analytical and analyzing skills like Financial Functions( formulating and analyzing the Financial statements and figures of the Organizations) . But beside this the table above is also breaking the ice age perception that students got administrative and more routine and clerical jobs like data entry etc during the internships. Very less number of students, about 6%, had got this type of responsibility. 20 % of students were assigned the tasks related to sales and marketing, which involves generating leads, assisting in formulating



Marketing strategies and policies, Analyzing Marketing and sales data and generating reports. Usually the type of responsibilities students got during the internships also depend upon the student specialization area in the MBA, but this is not the sole and only criteria which companies follows. From Table 6 , it is further seen than 17 % of students were involved in HR related tasks and responsibilities which includes Recruitment and selections, Training and Developments of juniors, Assisting in Job Analysis and Performance Appraisal of the employees.



### Limitations

This project encountered several limitations during its execution.

- The first limitation of this research was the inclusion of only one educational Institution and the sample size was quite small consisting of 138 respondents of only 2011 session.
- The second limitation of this project pertained to the research methodological design. Instead of just surveying past intern all at one point in time, the inclusion of a pre and post survey would serve as a more reliable measure of internship effectiveness. Longitudinal Analysis should be done.

### Conclusion and Implications

It can be concluded from the study that Skill development and Learning acquired are two important factors which affect the overall effectiveness of an internship and which students look from their internships. From the study we can also interpret that the Corporate Experience gained by the student is not the significant predictor of Effectiveness of an Internship. The employers/supervisors, program coordinators, the sponsoring university should keep this in mind while designing the Internship programs. More focus should be given on designing the Internship

programs that will help in learning new things and encourages skill development rather than focusing only on providing the corporate experience to the students.

Our study also reveals that there is no significant difference between the effectiveness of an internship achieved by the students of MBA General Stream and that of Biotechnology, Human Resource and International Business Streams. There is no significant difference between the effectiveness of an internship achieved by the students of Biotechnology stream and that of Human Resource and International Business Streams. There is no significant difference between the effectiveness of an internship achieved by the students of Human Resource Stream and International Business Streams. This finding is consistent with past research that suggests greater duration at the internship site and access to supportive entities is likely to influence the amount of learning that occurs at the placement site.



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