

THE ACCOUNTING INTERNSHIP: TOWARD MEANINGFUL EXPERIENCES FOR STUDENTS, EMPLOYERS, AND EDUCATIONAL INSTITUTIONS

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ABSTRACT

Student internships in accounting may take many different forms and across the U.S. colleges differ greatly in how the internship is administered relative to the employer. This paper describes difficulties and successes in applying internships for enhancement of student learning as well as credibility for the institution. Internships are generally recognized as a path in the development of long-run relationships and as a special learning focus for accounting and general business. The authors raise critical factors for internships as an outreach for service learning and offer a case example of structure that works well at one institution and which could likely be replicated elsewhere. The paper closes with recommendations for further research including ideas for both immediate and longer run implementation.

INTRODUCTION

The value of accounting internship training, especially for public accounting firms, has been discussed in the accounting literature as early as the 1940s, and some have argued that without the internship experience, it is questionable whether accounting is on par with other professions (Miller, 1945). A 1960s empirical study at the University of North Dakota found that internships carry solid value in helping students form conclusions about the world of work in that discipline (Lowe, 1965). Furthermore, the benefits of internships go beyond the immediate learning experience to the student, including relationship building between the university faculty/staff and the employer staff.

What should be the pre-requisite for an internship course or general internship experience? Should the internship be paid or unpaid? Should course credit be granted? Prior internship research tends to focus on selectivity issues (e.g., student's GPA) for the student's opportunity to engage in an internship (Elrod, et al. 2014), or legal issues such as compensatory arrangements (Ogden and Kordecki, 2012). Some university departments have mandatory internships written into their curriculum. Wessels and Sumner (2014) illustrate how internships

can be part of an overall integration for career development in the accounting curriculum. This paper examines the holistic nature of internships as a win-win, overall enhancement for students, employers, faculty, staff and the educational institution.

DETERMINANTS FOR GOOD INTERNSHIP

In previous research, a number of authors have studied determinants and “best practices” related to a good student internship program. Reding and O’Bryan (2013) describe 10 best practices for business student internships as follows:

1. Define the purpose of the internship program.
2. Compensate interns fairly.
3. Communicate with incoming interns.
4. Invite incoming interns to an orientation event.
5. Mentor the interns before, during, and after their internships.
6. Implement a structured first-day protocol.
7. Provide a variety of meaningful work experiences.
8. Choose internship supervisors carefully.
9. Offer networking opportunities.
10. Implement a structured conclusion.

While some institutional programs require internships, there are others who simply encourage internships. Updyke (2013) cites the advantages of having each business major complete two internships consisting of at least 300 hours of work experience. Bloom (2013) analyzes the strength of internships in building student learning as found in the Pathways Commission and prior studies. Kordecki, et al. (2002) make the case for a full service student-oriented educational process with internships playing a prominent role. Elrod, et al. (2014), found that formalized programs can help evaluate the success of the internship experience. Formal reflection papers prepared by employer as well as by student, internship assessments, site evaluations, and other measures may contribute to the overall internship experience for the student, the employer, the institution, and the faculty involved. In many situations, faculty

engagement may become inherently tied to the extent of credit granted for salary reviews and promotion and tenure.

Student maturity may be a consideration about the ultimate value of the internship experience. The placement in chronological time in a student's degree program may also be a success factor for a meaningful internship. A significant innovation is posed by Violette, et al. (2013) with applying the challenges of an "early" internship experience. Rather than wait until upper-level education, students can gain much with little extra cost to employer of placing appropriate younger students into the internship arena.

The findings of English and Koeppen (1993) corroborated the importance of internship timing in that that post-internship course performance was improved significantly. Also, by having an internship experience earlier in the student's program, a "senioritis" or time for partying or soft landing effect is avoided. As expected, Siegel and Rigsby (1988), among others, found that there was a significant direct relationship between internship and subsequent professional performance.

With a well-orchestrated internship program, internships can be an effective means of providing students with the business education needed to make better placement decisions (Moghaddam, 2011). Elrod, et al. (2014), found no statistically significant differences on success factors for masters students versus baccalaureate students.

INSTITUTIONAL INTERNSHIP DESIGN

School characteristics weight heavily in the operation of the internship "system." Smaller, private schools have distinct advantages and disadvantages in developing and nurturing internship relationships. Elrod, et al. (2014) illustrate studies for internship success at a private Catholic university in south Texas. The blending of employer needs for both undergraduate and graduate interns can be monitored with faculty commissioned for the task. Larger and state supported institutions tend to make greater use of staff which may increase the overall volume

of internships, but at the same time, may be deficient in providing strong filters that may be had with faculty involved in the institution/employer match.

Internships may provide exposure to both faculty/staff as well as students into the realities of the “real world” of practice. Bloom (2013) stresses the need for business students, and particularly accounting students, to become true professionals, and that can be accomplished through several actions:

- Requiring presentation and defense of views through both formal and informal communications, including both written and oral.
- Generating critical thinking, exercising judgment in data analytics.
- Augmenting classroom delivery.

The linkage between theoretical academic study and the practical business world is also recognized in the literature. Templeton, et al. (2012) sees internships as powerful learning and a tool where business students are better able to connect their classroom experience with outside world. When properly designed, internships can become a prime component of assurance of learning efforts. Corkern, et al. (2013) view internships as key to getting students ready for their long-term career match. Hogan, et al. (2014) point to internships providing a strong mechanism of indirect assessment of the college’s business programs.

While accreditation may be an important driver in institutional internship design, the value to the student learner should remain paramount. Maertz, et al. (2014) makes the critical point that all internships are not created equal, that there can be significant variations in quality, as well as time worked, and linkage to actual useful work that contributes to the student’s learning. When an institution has a formal structure and operates on a significant scale, distinctions that serve all parties can be maximized. Consider the following policies and procedures at one institution where one of the authors has been significantly involved with internship development and implementation.

EXAMPLE UNIVERSITY—A SAMPLE CASE

Example University has a long tradition of liberal education, with strong general education grounded in the liberal arts and professional programs in Business, Education, Nursing, Occupational Therapy, and Counseling Psychology. Example University runs its internship program as a collaborative effort between the staff of Career Services and the academic Schools. The University's four Schools--the School of Business, the School of Education and Counseling Psychology, the School of Arts and Humanities, and the School of Natural Sciences—all have heavy exposure to the internship process. The organization of the internship program supports meaningful internship experiences across this wide range of academic and professional programs. The School of Business identifies two key faculty to dedicate any student interest and collaborate with the Office of Career Services to assure that internship opportunities are not missed.

Leveraging the expertise of each member of the internship partnership is a special strength of Example University's program. In addition, program flexibility to meet the different needs of each of the different schools, the individual student, and even individual faculty members is another strength. Administration of internships is largely managed by the Career Services staff and responsibility for the academic elements of the internship rest with the faculty. While there are some overlapping activities, Career Services provides a variety of services in the administration of internships. Many of these duties require the specialized knowledge of Career Services professionals and could not be performed by the individual faculty members. With this structure, Career Services in the initial establishment of each student internship:

- Maintains the information on a server dedicated to internship postings. Employers upload their position on the network. Career Services reviews and then activates approved submissions.
- Checks to be sure the posting organization is legitimate.
- Meets with students to explain the internship program and distributes the requirements and materials.
- Assists students with finding an internship that is a good match.

- Determines that the student and the employer both benefit overall.
- Reviews the position to assure student safety.
- Ensures fair compensation for the student (where appropriate).
- Makes sure the position conforms to local laws.
- Checks that the internship responsibilities require the application of learning in the classroom.

During and at the conclusion of the internship Career Services:

- Collects, distributes, and stores information from the evaluations by students and employers.
- Solves any problems that arise during the course of the internship.
- Arranges for and attends the final presentation event.

The two key dedicated faculty have primary academic responsibility for internships, but any business faculty member may supervise an internship. During the 2013-2014 academic year, students at the University completed 185 internships and 44 of those (24%) were in Business. Of the 185 internships, 31 (17%) were supervised by the two key faculty. The faculty are able to accommodate the volume because of a clear plan for separation of duties. One faculty works on going into the community to find specific internships for students, finding and matching students to particularly outstanding opportunities, and developing learning goals and objectives. The other faculty works on announcing externally posted internship opportunities to students, developing learning goals and objectives, processing the paperwork, and overseeing the writing and collection of presentations.

Crucial to success at Example University is a faculty that is service and career oriented. Faculty sponsors have the following obligations for each student intern:

- Address student career goals in development of learning goals and objectives.
- Tailor learning goals and objectives to the mission and values of the institution and the school and the needs of the employer.
- Write customized learning goals and objectives with each intern.

- Assist some students in locating an internship.
- Attend the final presentation event.
- Assesses student learning and determine the grade earned (pass/fail).

The customized learning goals are considered essential as students frequently do not connect “classroom learning” with the activities that will be performed on the internship. Internship is an engaged learning experience and the faculty assist students with understanding the application of information learned in the classroom to the internship. Students may locate their own internship, work with Career Services, and/or faculty to find and develop a special interest internship, or find an internship posted by employers on the Career Services network. This process requires some effort on the student’s part, but students are generally very satisfied with their internship experience.

Internship is an optional concentration course for the business major, so the units count toward the major and toward the degree. Each internship may be written for .5 – 3.0 units of credit and students must complete 3.0 units in total for the internship to count for a concentration course. This flexibility allows for a variety of shorter internship experiences allowing students to explore many of their interests, and for the internship to fit in the student schedule. Furthermore, completing several brief internships per individual student can enrich a liberal arts education, with students applying knowledge from different fields in a variety of settings. Many employers post internships for one term only to complete a specific task, with no intent to permanently hire the student at the conclusion. While nationally many employers use the internship experience primarily to see whether the student would be a good fit for permanent employment, Example University’s vision captures additional intangible and qualitative outcomes. Some examples of actual student placements follow.

- One of our internship sponsors is an organization that serves as an “incubator” to explore and develop new business opportunities. The incubator houses entrepreneurs

for no more than a year. Student interns have assisted start-up ventures with short-term projects like performing marketing research or developing a business plan.

- A student wanted to become more attached to the local community, and developed a website for a local non-profit.
- One student believed he wanted to pursue a career in Sports Management and completed an internship in the field. Through this experience the student realized very strongly that Sports Management would not be personally rewarding for him. The student then enrolled in a marketing internship, which he found to be a great fit. That student graduated and has been happily working in marketing for more than a decade.
- A local sole-proprietor working in executive recruitment was assisted by a marketing student in updating and expanding her online and social media presence.
- An accounting firm hired a student for a summer internship and offered the student a job following graduation.

Exploring a career interest, assisting in the community, or finding a job are just a few examples of the variety of additional positive results attained from an internship experience. Students often bring more intensity to their studies as a result of these experiences. Another strength in Example University's approach is to encourage accounting majors to engage in accounting internships beyond those traditionally considered as "pure" accounting, thus promoting a cross-pollinated business experience.

Example University recognizes that its internship program is not without weaknesses:

- The posting of internships varies over time, creating supply and demand imbalances.
- The system requires significant initiative on the part of the student. Spending time with students who do not follow through (sometimes over and over again) is not productive.
- Processing each student internship requires numerous administrative steps, which would work much better as the system migrates from a manual to a computerized approach. Students who might enjoy and benefit from internship are not required to participate.

- More quantitative data could be collected in the evaluations.

Assessment can be unique to each School. In accounting and business a PowerPoint presentation is required and speaking skills are monitored using rubrics. Groups of ten to twelve students meet in the evening for two hours to present their internship findings and reflect on the experiences of other interns. This is done in a celebratory setting with pizza and other refreshments. Each student presents for eight minutes and there is a two minute question and answer period. The faculty team and Career Services professionals attend the presentation event and participate in the question and answer period.

The whole internship experience for each student involves critical coordination between faculty and staff. Collaboration on internship activities between Career Services and the Faculty Team capitalizes on the strengths of individual members of the administration and faculty. Career Services uses its specialized knowledge to be sure the internship opportunities are properly developed and maintain information collected from students and employers. Faculty customize student learning goals and objectives with each student individually and may assist students with finding the right “fit” in an internship. Students may work with faculty, staff, or both to find the perfect internship. This collaboration results in a vibrant, flexible and highly successful program with outstanding satisfaction reported by students and employers.

RECOMMENDATIONS FOR IMPLEMENTATION AND FURTHER RESEARCH

Not all ideas will work in all environments as there will be local constraints at each institution. In the quest for the ideal internship program, faculty and staff may wish to target several areas, some of which could be implemented within a short time period:

- Recruit, maintain, and nurture employers for the internship experience.
- Base performance on multiple criteria; e.g., hours worked, clients served, evaluations,
- Rotate student and employer needs on articulated calendars.
- Consider both undergraduate and graduate arrangements, and encourage early program experiences rather than in the last academic term.

- Encourage students to engage in multiple internships, including those not thought directly in their career area.
- Tailor the learning outcomes while retaining appropriate rigor.
- Employ multiple assessment methods to evaluate the student and the internship.
- Draw upon the benefits of student presentations and written papers following the field experience.

Other actions and possibilities for research over a longer time frame include the following ideas:

- Consider variable course credit for performance, perhaps as low as zero.
- Consider the effect of letter grades other than pass/fail.
- Consider both paid and unpaid internships in the university's market.
- Build in flexibility for possible faculty externships.
- Modify curriculum constraints to accommodate meaningful course credit for internships.
- Develop faculty reward system so that internship efforts are appropriately recognized in annual reviews, and in promotion and tenure decisions.
- Decentralize the critical component of the match between student and employer to the lowest possible academic level (departmental unit), while retaining administrative burden in centralized offices.
- Document the overall progress of the program as a key indirect assessment which will assist accreditation bodies.
- Periodically assess the long-run contribution of various aspects of the internship program for consistency with department, school, and university mission and vision.

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