Intern Market Slows, but March Madness Intensifies

In our third annual examination of the job market for interns, we find the trends we have identified in the past intensifying—which means the challenges for prospective interns are increasing.

While the market was somewhat more sluggish in 2016, more than ever there is a narrow season for internship recruitment. That season peaks in March – ahead of when many students begin to think about summer opportunities. And employers expect interns to arrive already equipped with knowledge of critical skills in software and other areas that enable them to be productive on the first day.

We refined our analysis of skills this year, breaking apart categories to provide more meaningful analysis, such as splitting IT into development and system support, and giving Marketing its own category. We discovered that there is a more complex interplay between broad business skills and industry-specific skills that sheds new light on what interns should know to succeed. However, as a result of these refinements to our analysis, results are not strictly comparable to those of previous reports as there has been some redefinition of the core skill and internship-area clusters.

If you wait until the end of the semester to get an internship, you have waited too long. Recruiting for internships begins in January and peaks in March. Then demand begins to taper off sharply. There is a small second bump in September for term-time internships as the school year begins.

The total number of internships posted in 2016 was actually lower than in the previous two years (216,333 posted positions, an 8.3% decrease compared to the 236,101 openings in 2015 and 2% below the 220,852 posts in 2014). But the concentration of postings in March has increased steadily over the past five years. In March 2016, there were 29,360 internships posted, an 11% increase over the 2011-2015 average, and a 2% increase over the 28,796 postings in March 2015.
Show Up With Skills, Both General & Specific

We identified a number of skill clusters in postings for internships, but almost as important as the clusters themselves is the subtle interplay between them. Sets of skills can overlap, with many internships demanding both a general set of business skills and specialized knowledge of a particular domain.

In pure numbers, Business Operations is the largest skill cluster, with nearly 59,000 postings between October 2015 and September 2016. That cluster includes skills such as Project Management and Scheduling, which could be required in a general business internship but would also be useful in an internship in nearly any functional area. So Business Operations can’t be viewed as a self-contained category. While there are general business internships that domain only require these skills, this skill cluster also can overlaps with other internships.

Those internships include the domain-specific areas such as Marketing (35,498), Engineering (33,116), and Sales (28,227). A Marketing internship will typically demand skills in Social Media and Marketing Research, while a Sales internship will ask for Business Development or Sales Management.

A trend that continues from previous reports is that internships offer experience, not training. Employers expect interns to show up ready for work, with specific software skills already in hand, such as SAP in Business Operations, AutoCAD in Engineering, or Adobe Photoshop in Arts and Design. Smart students will acquire the skills demanded in their chosen field well before application season.

Overall, internships remain primarily a tool for undergraduates: 71% of all postings request a bachelor’s degree or less, compared to 29% that seek graduate enrollment. Those graduate internships are concentrated in a few fields. More than four in 10 internships in the fast-growing area of Data Analytics require a graduate degree, and the same is true in Economics and Policy.
Because the Business Operations cluster is so widespread and applies to so many fields, we excluded it from our map of most popular internships by state. Focusing on specialized internships gives much richer guidance for prospective interns. Engineering is the internship most in demand geographically, but there are notable pockets of demand for marketing in California and New York; IT Development in Massachusetts; and Science and the Environment in Maine and Alaska.