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PRACTICAL LESSONS

# Firms use the internship model to meet their business goals

Students get work experience while firms get to 'test-drive' them, minimize hiring risks and bridge skill gaps

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BANGALORE

After a two-month internship working on a business development module for the State Bank of India (SBI), 23-year-old Subhro Jyoti is set on pursuing a career in the public sector.

This summer, Jyoti, a management student, was part of a two-intern team that collated data on small and medium enterprises in the tourism sector, a project designed to identify new businesses for the public sector bank. "It helped me build both business development skills as well as understand the way the financial industry operates," says Jyoti, who also interned in the advertising industry and will graduate with a joint major in marketing and finance.

SBI is just one of a raft of companies leveraging the internship model to meet business goals ranging from brand building and generation of new ideas to effective recruitment. "We gathered first-hand data from 19,000 small and medium businesses as part of this year's internship project, which was then analysed internally," says S. Ramakrishnan, chief manager, small and business enterprises at SBI.

For the project, SBI had interns from colleges such as the Bangalore-based MATS Institute of Management and Entrepreneurship and T.A. Pai Management Institute in Manipal.

Both the interns and companies benefit. "Students need professional work experience to compete in the entry-level



Honing skills: Students at the MATS Institute of Management and Entrepreneurship, Bangalore. Interns from institutes such as this helped State Bank of India collect data from 19,000 small and medium businesses.

job market, while companies would like to reduce hiring risks by 'test driving' candidates before hiring them," says Yeshasvini Ramaswamy, managing director, e2e People Practices Pvt. Ltd, a management consulting firm that helps companies align human resource functions with overall business objectives.

In companies that offer marquee internship programmes, such as the InStep programme at Infosys Technologies Ltd, interns work on real projects, ranging from application development to business consulting, and in practices such as corporate planning, education and research, enterprise solutions and software engineering and technology laboratories. "Gone are the days of using interns for simple paperwork and filing in the back office; students now look for opportunities that will stimulate them and provide real experience," says Ramaswamy.

In 2008-09, 175 students from 95 universities across the world interned at the firm, In-

dia's second biggest software services provider, working primarily at its headquarters in Bangalore. "An organization that can build the image of a global player attains a definite competitive edge. Infosys believes that InStep is a strong move in this direction," says Sanjay Purohit, vice-president and head, corporate planning, Infosys Technologies.

Internships are also being used by companies to bridge the skill gap in students. At UTL Technologies Ltd, an IT services and training firm, engineering students are chosen through a process of screening and aptitude tests to serve internships ranging from three months at the undergraduate level to up to a year at the post-graduate level.

"We offer internship programmes at the research and development wing of the company that focuses on design of telecom equipment," says Srinivas Raju, divisional head, UTL Technologies. While undergraduates don't earn any stipend, UTL offers postgradu-

ate students a monthly stipend of between Rs7,500 and Rs12,500. Interns work on projects ranging from implementation of e-governance and networking to research and development projects.

"We offer a mentor-student ratio of 1:3 at the PG (post-graduate) level, while eight students are mentored by one manager at the undergraduate level," says Raju. In the past five years, nearly one-third of the interning batch has found long-term employment within UTL Technologies. "We designed the internship programme as a pipeline that will yield skilled talent at the entry level," says Raju.

It's not just large corporations that are hiring interns. Bangalore-based design firm Foley Designs Pvt. Ltd picks up four-six students every six months from colleges such as National Institute of Design, Sriшти School of Art, Design and Technology, Indian Institute of Science and National Institute of Fashion Technology. "We also pick students

## Due diligence

### Checklist for students

- Pick an internship that is linked to a clear-cut and specific project
- Check the incentive programme
- Find who will mentor interns and the mentor-internee ratio
- Be committed
- Pick an internship that is aligned with your career goals

### Internship benefits

- Adds flexibility to address human resource needs
- Develops well-prepared short-term employees
- Provides first-mover access to candidates with sought-after skills and/or backgrounds
- Increases the organization's visibility and brand awareness
- Sets a foundation for cost-effective and long-term recruitment and retention

from a few design colleges with interns working under a senior designer's guidance," says Michael Foley, managing director, Foley Designs, who feels interns bring in a "certain level of blue-sky thinking in new categories we look to explore".

A goal start-up firm Wortal Technologies Pvt. Ltd, which runs local information portal Buzzintown.com, was chasing, too, when it applied for interns from Sloan School of Management at Massachusetts Institute of Technology, US. For 16 weeks, four students from Sloan School worked on a project tracking challenges and opportunities for an online entertainment portal in India.

"This was not a project where international students just come in for an India experience, we had a clear plan in mind while we applied for interns from a prestigious school," says Amitabh Saran, co-founder and managing director, Wortal Technologies.

Saran also takes interns from local colleges for specific projects. He took on four students as interns this year to work on marketing projects and two for quality assurance. "I am never happy with young students wearing a red company T-shirt," he says, referring to the practice of companies using students merely as props to advertise their products and services.