

# Intern or Indentured?

APRIL 24, 2013

**Story by Erin Hassanzadeh**

While interning for “Elle” last summer, Katherine Dewitt arrived early, rarely took lunch breaks and worked about 70 hours per week.

“I was continuously exhausted because of the work. None of the interns had desks, so we stood during usually 12-hour days,” Dewitt, a 2012 Drake University graduate, said. “I would carry around heavy garment bags of couture coats and haul trunks of clothes to photo shoots.”

While working in New York City, she didn’t make a cent. Dewitt had four roommates and her mother helped pay rent. When she was able to take a lunch break, she ate half and saved half for dinner.

Then there is Shiv Morjaria, who will not have to worry about saving cash this summer as an actuarial science intern in New York City for Towers Watson, a professional services company. The interview process for Morjaria’s internship was like a courtship. He was first flown to New York for his interview.

“They paid for my flights, hotels and expenses,” Morjaria, a Drake junior, said. “They had a car service drive me to all of my interviews, too. It was actually really cool.”

Morjaria, like Dewitt, will lead the life of a summer intern but his days will look a little different. Morjaria will be making \$27 an hour working 40-hour weeks. He expects to work up to 60 hours per week, meaning plenty of overtime pay. Morjaria will also receive a living stipend of \$450 per week.

“That should cover rent and a meal plan at the NYU dorms,” 21-year-old Morjaria of Mombasa, Kenya, said. “I definitely expect to go out on the weekends, catch a few Broadway shows and go clubbing to see what life in the city is like.”

These opportunities are not unusual for Morjaria, who is pursuing four majors: actuarial science, information systems, finance and math. He is leaving behind his Des Moines internship from last summer where he made \$17.50 per hour.

Internships are viewed as commonplace today for college students. According to the National Association of Colleges and Employers, 55 percent of the 2012 graduating class had an internship or co-op experience. For those who take on unpaid internships, questions linger about what is fair, ethical or legal.

The consensus from Iowa universities is that internships, paid or unpaid, are increasing. Universities are not required to track internships held by their students, but they say the trends with internships are dictated by the economy and job market. Annette Watson, career development manager for the college of business and public administration, said companies are bouncing back from the recession.

“When the economy was bad there was a rise in unpaid or no interns at all. In the last 12 months internship opportunities have grown overall,” Watson said.

The U.S. Department of Labor lays out six guidelines employers must follow when employing non-paid individuals. Importantly, employers must treat the internship like an educational experience, not a cheap chance to replace regular employees.

“I think some further clarification from the law is needed regarding non-paid internships,” Jim Seyfer, career adviser for the University of Iowa, said. “It’s difficult for us to enforce ... guidelines. If an employer doesn’t treat students fairly, the market will correct that.”

Neglecting these guidelines has recently landed major companies in court. Last year, former intern Xuedan Wang sued her employer, “Harper’s Bazaar,” for minimum

wage violations. She claimed to be working between 40 to 55 hours per week as a magazines fashion intern for free. Dewitt did not sympathize with Wang.

“Honestly, she’s kind of ruined the ‘internship experience’ at magazines for us. A lot of companies aren’t even hiring interns any more because it’s being frowned upon,” Dewitt said.

So which industries are paying and which are not?

“It’s just guesswork really,” Seyfer said. “The programs that have the highest rate of unpaid internships would be communications studies and journalism. We would say business and engineering have the highest rate of paid internships.”

While some students are willing to take an unpaid internship to gain experience, network or to earn college credit, National Association of Colleges and Employers (NACE) studies show that internship compensation matters beyond a summer paycheck.

According to the NACE 2011 Student Survey, the class of 2011 graduates who took part in a paid internship were more likely to get a job offer, have a job in hand by the time they graduated and receive a higher starting salary offer than their peers who had an unpaid internship or no internship.

Morjaria is one of seven interns competing for six full-time positions at Towers and Watson this summer.

“The expectation is that you stay on full-time unless you really mess up,” Morjaria said. “They’ve extended internal promotion to interns.” For Dewitt, her summer in New York did not translate into a full-time position when she graduated in December.

“Basically, editors say they will help you find a job, but the truth is no one is hiring on the editorial side of magazines,” Dewitt said. “I created very strong, good relationships with all of my editors in my previous internships, and they’ve all told me

they wish they could help or that they will try.”

From business to communications, there is an undisputed value in having internship experience outside of college coursework.

“I think my degree is somewhat important, but when interviewing, employers are most interested in hearing about my past internships,” Dewitt said. “No one has ever asked me about my degree, what my classes were like or what projects I worked on in school.”

So what is next for the internship industry?

“We think it will continue to fluctuate with the market,” Seyfer said. “It depends on the industry, but mainly it will fluctuate with the economy.”