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Decision to pay interns a business question, not a moral decision

Question: We're planning to have a few students join our organization as interns this year. But a debate is raging over whether or not they should be paid — some of the executives think the internships should be unpaid, arguing the experience is invaluable, while others think it's unfair not to pay them for time worked. What are the arguments for and against paying interns?

Answer: With summer internship hiring in full swing, and forward-thinking employers creating more and more internship programs, there has been a lot of emphasis and attention on internships — particularly the morality of unpaid internships.

The debate should not be about whether an internship is paid or unpaid, but rather whether a fair trade is occurring. In many cases, a fair trade will include monetary compensation. In other cases, the intern will be performing work for the company that is only marginally beneficial to the company, or even experimental, but the intern will be gaining high-quality, practical work experience. This is also a fair trade.

From a student perspective, considering whether to take on an internship should not be based on pay but rather on the net benefit of the experience as a whole. Part of that benefit may take the form of payment, however, a large part (or in some cases, the full part) of the benefit comes from the professional experience gained, as well as the opportunity to build a portfolio of work and network with other professionals in an industry.

A rational student considers his alternatives and weighs the short- and long-term implications of an internship. In most cases, the alternative (such as a part-time,



■ TOUGHEST HR QUESTION

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casual job or even graduate school) is far more expensive in the long run than taking on a relevant, challenging internship in the industry he intends to work in.

A similarly logical approach can also be taken from an employer's perspective. Employers need to consider whether adding an intern resource will benefit the company and then determine whether the work the intern is performing is necessary to the business or simply a "nice to have."

At this point, employers can easily put together a package that balances the rewards for the intern with the rewards for the employer.

Before deciding whether the intern should be paid, it's important to determine whether the intern will bring value to the organization and how important his work will be.

Interns cannot bring value if there isn't work for them to do, but it goes further than that: Are you able to offer the training and mentorship necessary to help the intern succeed? Not only are you hiring someone with limited experience in the role, but also with limited experience in the workplace in general. This means your intern is likely to be unfamiliar with common

workplace expectations, such as appropriate communication styles and workplace rhythms.

Further, do you have the resources to train, manage and mentor an intern over the internship period? And given the limited time period, is the return on your time invested high enough to warrant an intern?

When an intern doesn't have the structure available to help him succeed, the "free" or "almost free" resource he represents is actually an expensive drain.

That being said, there can be benefits to hiring an intern even if the short-term benefits are negative. For example, you may be using the internship period to assess the candidate for a future full-time role.

There is no question if the intern is performing work or tackling projects that are necessary to the company, he should be paid. In other words, if you would have to hire someone else to do the work then he should be paid.

However, if the work the intern is performing adds value (represents a net gain) but is not crucial to maintaining or enhancing the company, employers should be free to design compensation packages that represent a fair trade.

To pay or not to pay is not a moral question — it is a matter of offering a student or recent graduate practical work experience that will, in many cases, offer more value than a university course or a post-graduate education, and only students who recognize this will accept such an internship.

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