

# The impact of internships revealed

New research released today by CSIRO's Data61 demonstrates that undergraduate degrees with built-in internships have statistically significantly better graduate employment outcomes. The report by Paul McCarthy and Mitchell Swayn from Ribit.net, Data61's job and internship matching platform, found that longer courses are also associated with better employment outcomes — independent of field of study and institution.

The report, [\*Higher Education and Employment in Australia: The Impact of Internships\*](#), analysed 700,000 data points covering students enrolled at 40 Universities across almost 5,000 undergraduate degrees spanning 21 fields of study to understand whether internships make a difference improve employment outcomes.

"The data shows that the more we can do as a nation to provide job opportunities to young people while they study, the more likely they are to succeed and help grow our economy." said Liz Jakubowski, Director of Ribit.net at CSIRO's Data61.

"It is well known and recognised that what you study has a big influence on your employability when you graduate and courses such as medicine, dentistry and pharmacy enjoy very high employment rates upon graduation when compared to generalist degrees in arts, science and business. Where you study also has a significant influence on employment outcomes, however the effect of other features of degrees such as whether they have built-in internship has been less clear," Jakubowski said.

By analysing all data on all undergraduate university degrees in Australia, the authors found that independent of field of study and institution, those courses with built-in internships enjoy materially better employment outcomes than those that don't. That means if you are enrolled in a course with a work component you have a greater chance of getting a job when you graduate. This is particularly significant for generalist degrees in areas such as arts and science where internships can make a big difference to employment outcomes. The work aligns with previous Australian research that shows that Work Integrated Learning and *especially paid career-related work* while studying increases graduate employment outcomes by up to 40%<sup>1</sup>.

Jakubowski said "Compared to overseas nations like Germany and the US, internships are still not that widespread in Australia. If every business was to take on at least one intern each year, most students across the country would get an opportunity to gain extra skills and experience, and the nation would have a more prepared future workforce. There is no-doubt every business stands to benefit from taking on interns. Look at Australia's fastest-growing companies like Atlassian and

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<sup>1</sup> Jackson, Denise, and David Collings. "The influence of work-integrated learning and paid work during studies on graduate employment and underemployment." Higher Education 76.3 (2018): 403-425.

Canva. They are on the front foot when it comes to hiring students. The results speak for themselves.”

Commenting on the research, Professor Pip Pattison, Deputy Vice-Chancellor (Education) at Sydney University said “It is very helpful to understand the relationship between course design and graduate outcomes and this analysis linking two publicly available Australian data sets provides a novel and valuable perspective. The results add to our knowledge of the value of experiential learning in the workplace and will, I hope, lead to further analysis, including at the student level, on how engagement with a range of different forms of experiential learning shapes student outcomes.”

CEO of Australian Industry Group, Innes Willox stated “New research by CSIRO's Data61 has confirmed what business has known for a long time: there is nothing better for graduate employability than internships and other on-the-job work-related training,”

“The connections made through these student-industry work arrangements have mutual benefits. They also establish opportunities for important input by industry around what is being studied, as well as research and development initiatives.

“Universities increasingly provide flexibility in degree work components. As well as longer placements, students and companies can assist each other via micro-internships, projects, online consultancies, and organised student events that apply fresh ideas and knowledge to a company's identified problem,” Mr Willox said.

Kylie Walker, CEO Science & Technology Australia commented “It's estimated that more than half of the new jobs created in the next decade – in Australia and internationally – will require skills and knowledge in science, technology, engineering or maths.

We know that the critical thinking and technical skills acquired through a science, technology or mathematics degree set graduates up for a range of future careers, but students of STEM degrees can sometimes get stuck in thinking that a lab career is the only path forward.

This study shows the positive difference that can be made by targeted internships, which build bridges between academic study and non-academic careers, provide crucial skills in navigating the real-world workplace, and begin to introduce students to broader networks.”

Download the report: [bit.ly/ImpactOfInternships](https://bit.ly/ImpactOfInternships)

For more information, visit [www.ribit.net](http://www.ribit.net)

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### **About the Study**

The study links data from two public sources — graduate employment outcomes from the annual Graduate Outcomes Survey (GOS) and features of degrees themselves from the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). The CRICOS register — designed originally for overseas students — has details on Australian University and VET Qualifications including such as what awards are offered by each institution, how long they are and which ones have built-in internships or 'Work components'.

To measure the effect of work component on employment outcomes independent of known effects of field of study and institution, we used multiple regression with robust t-statistics. After running these regressions for graduate full-time employment and overall employment the work component was found to explain significant incremental variance in employment outcomes.

### **About the Authors**

Paul X. McCarthy is a consultant with CSIRO Data61's student-employer matching platform, Ribit.net. McCarthy is also Adjunct Professor of Computer Science and Engineering at UNSW Australia, an Honorary Fellow at Western Sydney University and Chairman of Australia's Media Technology Incubator The Studio. Mitchell Swain is an economics and data analytics student at Macquarie University and a data intern at ribit.net.

### **About Ribit.net**

[Ribit.net](https://ribit.net) is Australia's leading platform to connect tertiary students to work while they are studying. The platform algorithmically matches and connects talented students to innovative and growing businesses so they can gain experience and learn additional skills to make them more employable. Businesses are able to connect with dynamic digital natives who have useful entry-level digital skills and fresh new ideas and energy. The platform is also unique as a marketplace that connects students to business directly through a direct 'invitation to connect/interview' function from employers to students.

### **About Data61**

[CSIRO's Data61](https://www.data61.gov.au) is Australia's data innovation network that transforms existing industries and creates new ones through the application of science and technology. As an applied R&D partner, Data61's capabilities range from cybersecurity, confidential computing, IoT, robotics, machine learning and analytics, software and programming to behavioural sciences and more.