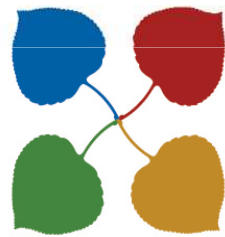


MBA Intern Hub: Best Practices for Developing a Successful MBA Intern Program



Aspen Network of
Development Entrepreneurs

Washington D.C., January 2010

Confidential Document

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- ▶▶ Guidelines for MBA Internship Programs in the SGB Sector
- ▶▶ ANDE's MBA Internship Hub



- > The objective of this document is to provide ANDE members with a set of guidelines for MBA internship programs and to introduce ANDE's role as an MBA Intern Hub

Complementary Objectives

- + Compile best practices and recommendations from members with existing intern programs through telephone interviews and review of guidelines developed for other industries
 - + Share these with members who do not currently have programs
 - + Enable ANDE members to list internship opportunities on the ANDE website
 - + Distribute this information to the top business schools and Net Impact
 - + Create an initial listing of MBA intern opportunities on the ANDE website
 - + Foster a community that points applicants to opportunities with organizations in the SGB sector
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- > Thank you to those member organizations who shared their current practices for this project

Interviewed Organizations



And special thanks to Andrés Satizabal, MBA Candidate,
NYU Stern School of Business, Class of 2011,
for compiling these guidelines and making this pilot possible.



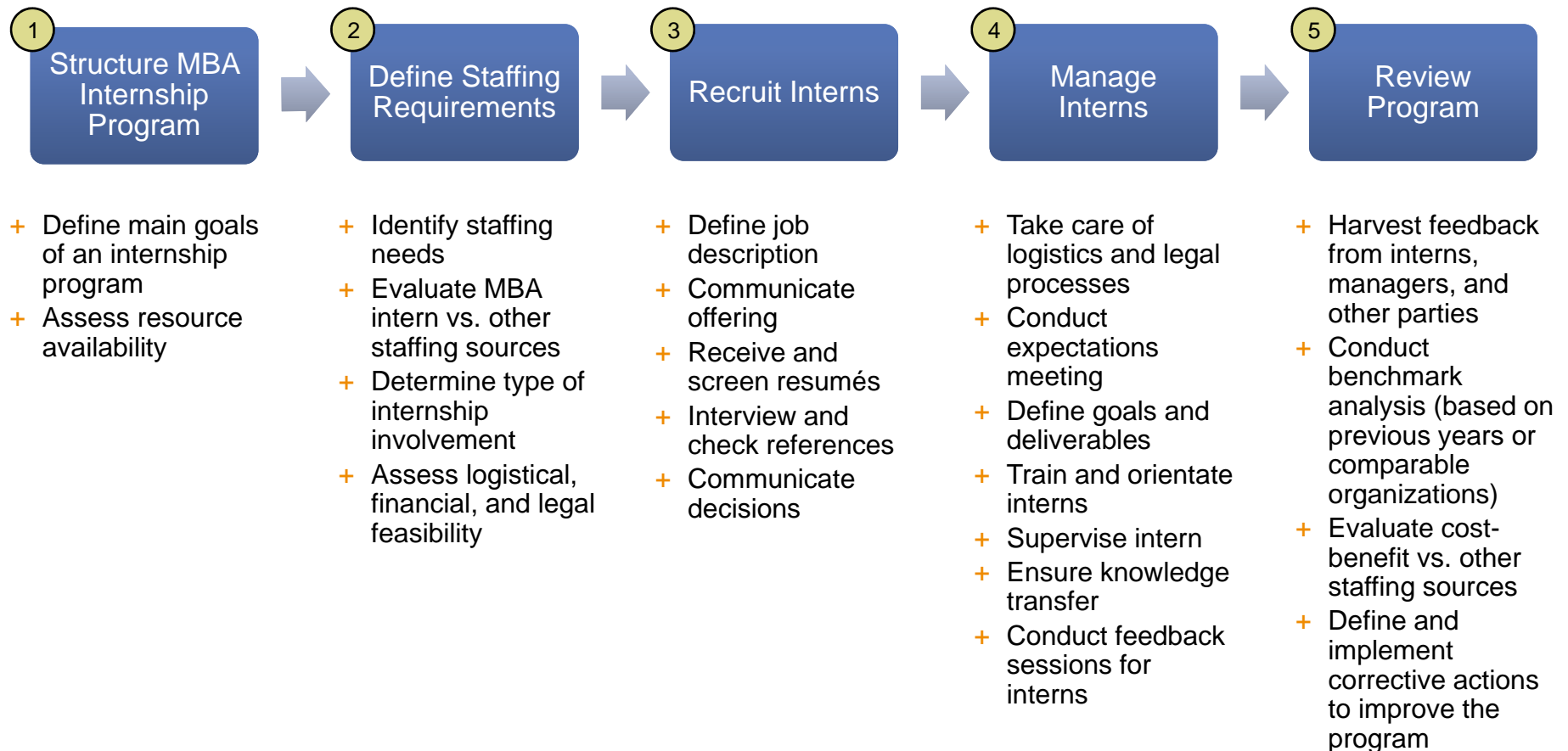
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> Best practices for MBA Internship Programs can be divided into five key areas

Best Practices on an MBA Internship Process



Source: Interviews with ANDE members, GMAC, AMACOM, Technology Council of Central Pennsylvania, Wetfeet





> The first step to developing a successful MBA internship program is to understand and articulate the goals the organization is trying to attain

Main Goals of an MBA Internship Program

Staffing

- + Source highly motivated professionals
- + Free up full time staff time for ongoing projects while also bringing new perspectives to old challenges
- + Outsource discrete projects – needs analysis, market research, financial analysis, etc.
- + Provide leverage for scarce field staff to pursue more creative projects + expand methodologies

Recruiting

- + Build and maintain relations with renowned institutions which will then provide additional resources to the organization
- + Develop a network of ambassadors for summer internships and full time recruiting
- + Proven, cost-effective way to recruit and evaluate potential future full time employees
- + Expose new talent to the SGB sector

Marketing

- + Influence the expansion of SGB support and innovative models
- + Encourage people's interest in the sector – although opportunities are limited, giving people the chance to experience the sector will maintain their interest
- + Position the organization as a relevant player within the social enterprise space
- + Develop networks for the industry or the market – encouraging people to identify opportunities in specific markets (e.g. Tanzania), or industries (e.g. value chain development)

Source: Interviews with ANDE members, Technology Council of Central Pennsylvania





- > Once the goals are defined, the organization needs to evaluate if it has the required resources to start and manage an MBA Internship program

MBA Intern Program Resources Checklist

Organizational	Financial	Logistical
<ul style="list-style-type: none"> • Availability of a staff member to serve as internship coordinator and as the main point of contact with interns • Availability of human resources to recruit, train, and evaluate the interns • Availability of division / field project managers to devote time to manage interns 	<ul style="list-style-type: none"> • Compensation (optional) • Travel, housing, and food stipend (optional) • Recruiting and training resources • Contractual and legal fees (insurance, disclosure) 	<ul style="list-style-type: none"> • Physical space and desk, phone, internet access, etc. • IT resources (laptops / desktops), software licenses • Ability to coordinate travel, paperwork (visas), and other arrangements as needed

Source: Interviews with ANDE members



- > After receiving the staffing needs expressed by the different divisions, the program coordinator needs to assess whether MBA's are adequate to fulfill the staffing requirements

MBA Staffing Alignment Checklist

	MBA Staffing	▲	Other Staffing
Time Horizon	The project is discrete in nature or is a clearly defined component of a larger project	Vs.	The staffing need arises from a continuous process or a long term project with no specific timeline
Local Knowledge	The project doesn't require highly specialized local knowledge or networks in order to be fulfilled	Vs.	The project requires highly specialized local knowledge or networks (e.g. due diligence, legal evaluation, etc.)
MBA added value	The project requires the insight that experienced people with a business perspective would bring	Vs.	The project can be staffed by a person without business acumen or previous experience
Timing	The timing is aligned with partner universities' timeframes	Vs.	The staffing need is urgent and doesn't fit with current business schools' timeframes

Source: Interviews with ANDE members





> The following is a list of typical internship projects staffed with MBA's

Typical MBA Internship Projects

Strategy	Marketing and Sales	Operations	Finance
<ul style="list-style-type: none"> • Strategic planning coordination and research • International expansion strategy – country prioritization • Growth strategy – opportunity evaluation • Business plan revision and improvement • Feasibility analysis 	<ul style="list-style-type: none"> • Marketing plan • Digital communications management • Distribution channel evaluation and prioritization • New product / service development 	<ul style="list-style-type: none"> • Impact assessment – qualitative and quantitative • Productivity analysis – process and service improvement • Benchmarking research • Synergy analysis for mergers and acquisitions • Consulting for clients in the field 	<ul style="list-style-type: none"> • Investment analysis • Financial structuring and evaluation • Valuation • Fundraising

Source: Interviews with ANDE members





> There are three options for staffing the projects with MBA interns depending on the timing of the need

MBA Internship Options Timeline

Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
WINTER INTERNSHIP		SPRING SEMESTER CONSULTING ENGAGEMENT				SUMMER INTERNSHIP		FALL SEMESTER CONSULTING ENGAGEMENT			
Type of Involvement <ul style="list-style-type: none"> + Volunteer (unpaid) + Individual / Group + Highly informal 		Type of Involvement <ul style="list-style-type: none"> + Academic / Club (unpaid) + Group + Relatively informal 				Type of Involvement <ul style="list-style-type: none"> + Intern (paid or unpaid) + Individual + Formal 		Type of Involvement <ul style="list-style-type: none"> + Academic / Club (unpaid) + Group + Relatively informal 			
Time Availability <ul style="list-style-type: none"> + Half time + 3 to 6 weeks 		Time Availability <ul style="list-style-type: none"> + 5-10 hours per week + 3 to 14 weeks 				Time Availability <ul style="list-style-type: none"> + Full time + 8 to 12 weeks 		Time Availability <ul style="list-style-type: none"> + 5-10 hours per week + 3 to 14 weeks 			
Availability to travel <ul style="list-style-type: none"> + Medium 		Availability to travel <ul style="list-style-type: none"> + Low 				Availability to travel <ul style="list-style-type: none"> + High 		Availability to travel <ul style="list-style-type: none"> + Low 			
Example <ul style="list-style-type: none"> + ANDE winter internship for MBA hub evaluation 		Example <ul style="list-style-type: none"> + NYU Stern Consulting Corps partnership 				Example <ul style="list-style-type: none"> + Acumen Summer Associates 		Example <ul style="list-style-type: none"> + Duke University partnership with Agora 			

Source: Interviews with ANDE members





> For every project, but specially for summer interns, there must be a clear definition of the costs the organization will assume – even if unpaid, no intern is free

Cost	Examples	Range	Recommendation for ANDE members
Upfront recruiting and training costs	<ul style="list-style-type: none"> School fees Outsourcing fees Travelling (staff or prospects) Materials, food, event invitations Training programs 	\$1,000 - \$5,000 (per intern)	These costs are unavoidable: the recruiting process requires sufficient time and resources in order to find and train an intern that will fit the organization. However, it is possible to keep these costs at a low by using online tools (such as the new ANDE intern hub) to recruit, instead of traditional in person recruiting events.
Salary / stipends	<ul style="list-style-type: none"> Weekly salary Taxes + additional benefits 	\$0 - \$1,500 (per intern per week)	These costs are avoidable: often MBA students are willing to work for a reduced salary, or even free, in organizations that give them interesting exposure to the social enterprise space – also, some business schools (e.g. Harvard, Columbia) provide a stipend to students pursuing careers in the sector
Travelling / relocation	<ul style="list-style-type: none"> Air fare, ground transportation Hotel / housing fees Food Work space - miscellaneous 	\$0 - \$3,000 (per intern)	These costs are avoidable: some business schools are willing to subsidize them. However this type of cost will provide a clear message that the organization is willing to invest in the intern, even if the resources to pay a salary are unavailable
Variable costs	<ul style="list-style-type: none"> Incentives Bonuses 	\$0 - \$2,000 (per intern)	Although variable compensation won't be relevant for interns in the foreseeable future, there may be travelling incentives (for example a visit to headquarters, or a visit to a particular location) for interns that could increase motivation
Overhead opportunity costs	<ul style="list-style-type: none"> Supervisors' time Program managers' time 	\$300 - \$500 (per intern per week)	These costs are sunk in most organizations, but the managing directors must be aware and willing to provide resources for intern supervision. Since many organizations are understaffed, this constitutes a heavy burden on the field resources and is one of the main components of the internship cost benefit analysis
Estimated Total		\$4,000 - \$30,000 (per intern)	NOTE: THESE ARE INDUSTRY AVERAGES, BUT THE COSTS ARE GENERALLY LOWER FOR INTERNSHIPS IN THIS SECTOR, AS MANY MBA'S ARE WILLING TO WORK FOR REDUCED SALARIES OR CAN GET ADDITIONAL SUPPORT FROM THEIR PROGRAMS

Note: Estimate based on Interviews and benchmarks provided by "Hiring the Best and the Brightest"; overhead opportunity costs consider 4 hours per week devoted to the intern by a supervisor costing 150k per year to the organization (or equivalent FTE's) ¹²

Source: Hiring the Best and the Brightest; Interviews of ANDE Members, ANDE estimates



> Once the position and the costs are clear, the program coordinator needs to develop the job description for the internship positions

Sample Job Description

Description

- ▶ **Position name:** Agora Summer Associate Program – 2010
- ▶ **Description:** Agora Partnerships is hiring graduate student Summer Associates from select MBA programs to work in its office in Managua, Nicaragua
- ▶ **Duration:** 10-12 weeks during the summer, starting May 31, 2010 in Managua, Nicaragua
- ▶ **Compensation:** Agora will pay for a round-trip airline ticket to Managua, Nicaragua, housing in Managua, and a small budget for food and incidentals. Summer Associates are expected to bring their own laptops for work in all positions

Organizational Background

- ▶ Agora Partnerships provides consulting and investment (micro venture capital) to developing- world entrepreneurs capable of creating successful, socially responsible businesses
- ▶ The Summer Associates program provides a highly selective group of MBA students a unique opportunity to help build the fields of development finance and social entrepreneurship
- ▶ For more information on Agora Partnerships, please see www.agorapartnerships.org

Qualifications

- ▶ A passion for helping entrepreneurs create social and economic value
- ▶ Entrepreneurial drive, a sense of humor, and comfort with ambiguity
- ▶ Demonstrated leadership ability
- ▶ Excellent cross-cultural communication ability
- ▶ Management skill set with demonstrated expertise in venture capital, business consulting, marketing, or social entrepreneurship
- ▶ Excellent writing skills
- ▶ Commitment to the field
- ▶ Spanish language ability

Responsibilities

- ▶ These are examples of responsibilities that the MBA intern may have in his engagement posted by Agora
- ▶ Investment analysis and due diligence on pipeline companies, recommendations for deal terms and support in negotiating final deals
- ▶ Assistance to existing Agora Venture Fund portfolio companies in the implementation of their business plans through strategic and operational consulting
- ▶ Management consulting to small and growing businesses requesting these services from the Agora Partnerships Nicaragua non-profit
- ▶ Recruitment and selection of new businesses to receive consulting or investment
- ▶ Development of educational materials for small businesses, as well as documents to share methodologies and lessons learned with other organizations in the field
- ▶ Monitoring and evaluation of portfolio companies to ensure they comply with Agora's social responsibility policy
- ▶ Measurement of the social impact of Agora's programs via research, interviews and data collection
- ▶ Communication of Agora's impact to the broader community, both inside and outside of Nicaragua.
- ▶ Implementation of Agora's Central American expansion strategy
- ▶ Recommendation and implementation of improvements to Agora's consulting and investment processes
- ▶ Grant writing to support the expansion of Agora's programs in Nicaragua and the rest of Central America
- ▶ Non-profit management consulting to improve the Agora Partnerships Nicaragua's sustainability plan, revenue generation processes, cash flow management, resource allocation, knowledge management and internal controls

How to apply

- ▶ **Application Process:** Candidates should fill out the on-line application found at <http://www.agorapartnerships.org/community/talent>, uploading their résumé and a short cover letter explaining their interest in the Summer Associate program. Top candidates only will be contacted by e-mail to set up a telephone or in-person interview
- ▶ **Application Deadline** February 15, 2010. Applications will be accepted on a rolling basis, so candidates are encouraged to apply early. Agora Partnerships will advise all candidates interviewed of the final status of their application no later than March 19, 2010
- ▶ **Optional:** include a couple of profiles written by previous interns telling their experience and promoting the internship

> After developing the job description, the organization needs to decide where to communicate the offering

Matrix for Number of Schools to Develop Relations With

Multiple Locations	2-4 top tier schools	4-8 top tier schools + agglomerators
One Location	1-2 nearby top tier schools or agglomerators	2-4 nearby top tier schools
	1 to 3 positions	More than 3 positions

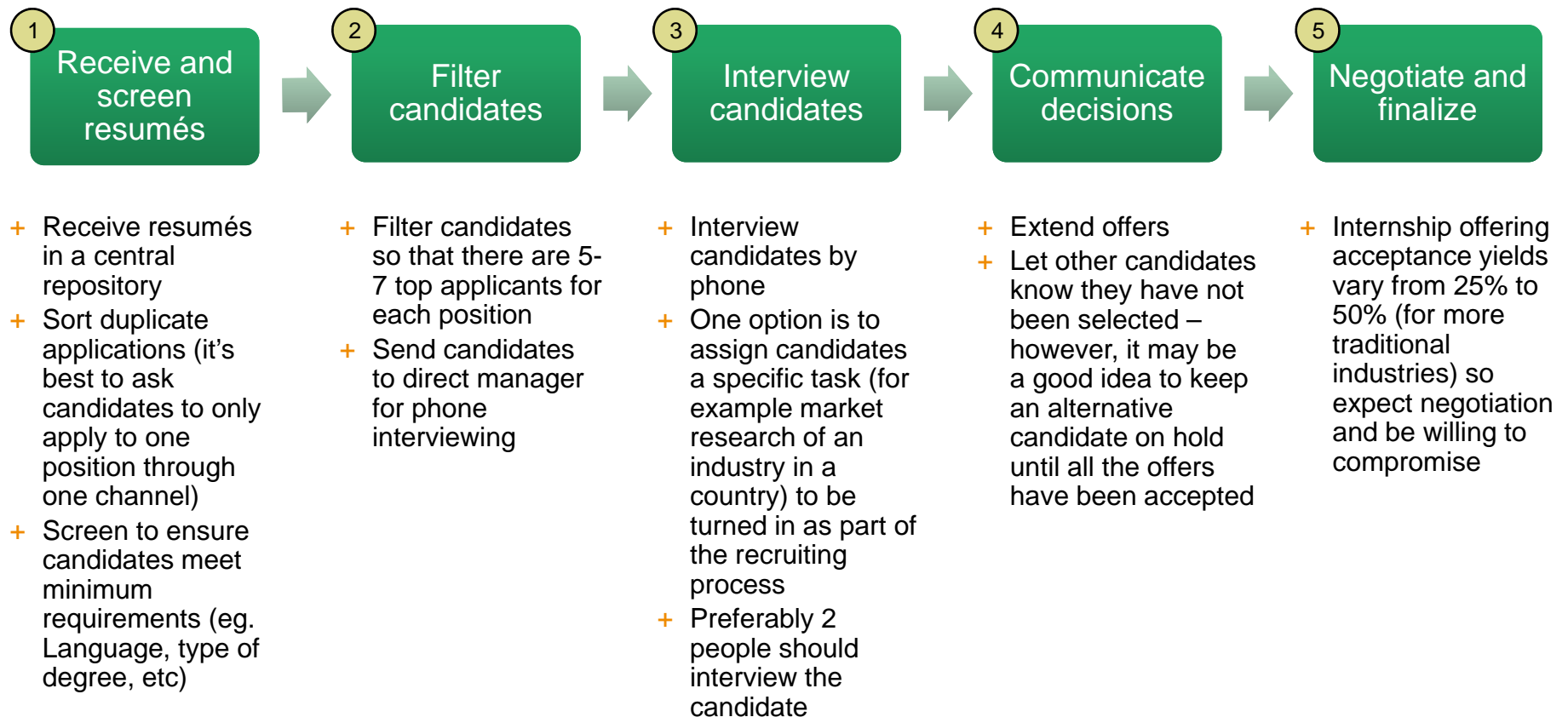
Top 20 U.S. Business Schools

- + U. Pennsylvania (Wharton)
- + Harvard Business School
- + Columbia
- + Stanford
- + MIT (Sloan)
- + NYU (Stern)
- + University of Chicago (Booth)
- + Dartmouth (Tuck)
- + Yale
- + Northwestern (Kellogg)
- + Duke (Fuqua)
- + U. Michigan (Ross)
- + Emory (Goizueta)
- + U. Virginia (Darden)
- + UCLA (Anderson)
- + UC (Berkeley)
- + Cornell U. (Johnson)
- + Georgetown (MacDonough)
- + Arizona U. (Eller)
- + Maryland U. (Smith)

Note: Agglomerators are hubs that connect groups of schools (source of interns) to organizations that require interns (for example: Net Impact)
 Source: Interviews with ANDE members, ANDE team analysis; Financial Times Global MBA Rankings 2009



> Depending on each business school's process, the resumé reception could take between 2 weeks and 3 months – the selection of the interns follows a typical recruiting process



Source: Interviews with ANDE members, ANDE team analysis; Financial Times Global MBA Rankings 2009



> The main priority after solving all the logistics and legal issues for the intern is to conduct a thorough orientation and training



Key Elements to Include in the Orientation
<ul style="list-style-type: none"> + Company structure and organization + Description of the social enterprise space + Special industry jargon + Specific work standards and procedures + Reporting relationships + Access to the supervisor (days, times, and duration) + Tasks that can be completed without supervisory approval + Work processing requests and timeliness + Mail and telephone systems + Approved form(s) for correspondence + Safety regulations + Procedure for signing off completed work + Periodic forms or reports to be completed + Security and confidentiality issues, if relevant + Acceptable dress and appearance + Maintaining the premises and work station + Available resources within the organization + Deliverables expected from the intern and criteria for quality + How the organization wants the intern to deal with clients, customers, and vendors

Source: Interviews with ANDE members, Key Elements extracted from Technology Council of Pennsylvania Page 12



> Good intern supervision will ensure the success of the internship program – ANDE members recommend at least a weekly meeting / interaction with the intern

Key Elements of Supervisor Interaction

- + Review the work done by the intern
 - Ensure the activities are being executed on time
 - Ensure the intern has enough to do and is staying engaged
 - Provide timely feedback to the intern on the quality of the job done
 - Recommend resources to fulfill performance gaps (e.g. books to read, workshops to attend, people to look as reference)
- + Explain new tasks to be executed
 - Provide detailed explanation (even if work seems trivial)
 - Explain relevance of the task - how the work fits into the “big picture
 - Ensure understanding by the intern
 - Ask for additional ideas on the tasks to be executed
- + Define an action plan for the following week
 - Prioritize tasks and activities
 - Align performance expectations
- + Motivate the intern
 - Give positive feedback on exceptional contributions
 - Include the intern in other activities as an observer or passive participant (staff meetings, board meetings)
 - Invite the intern to join informal interactions (lunches, events)

Source: Interviews with ANDE members, Key Elements extracted from Technology Council of Pennsylvania Page 12



> When the internship ends, two activities are critical: ensuring knowledge transfer and conducting a feedback session

Critical Activities Upon Exit

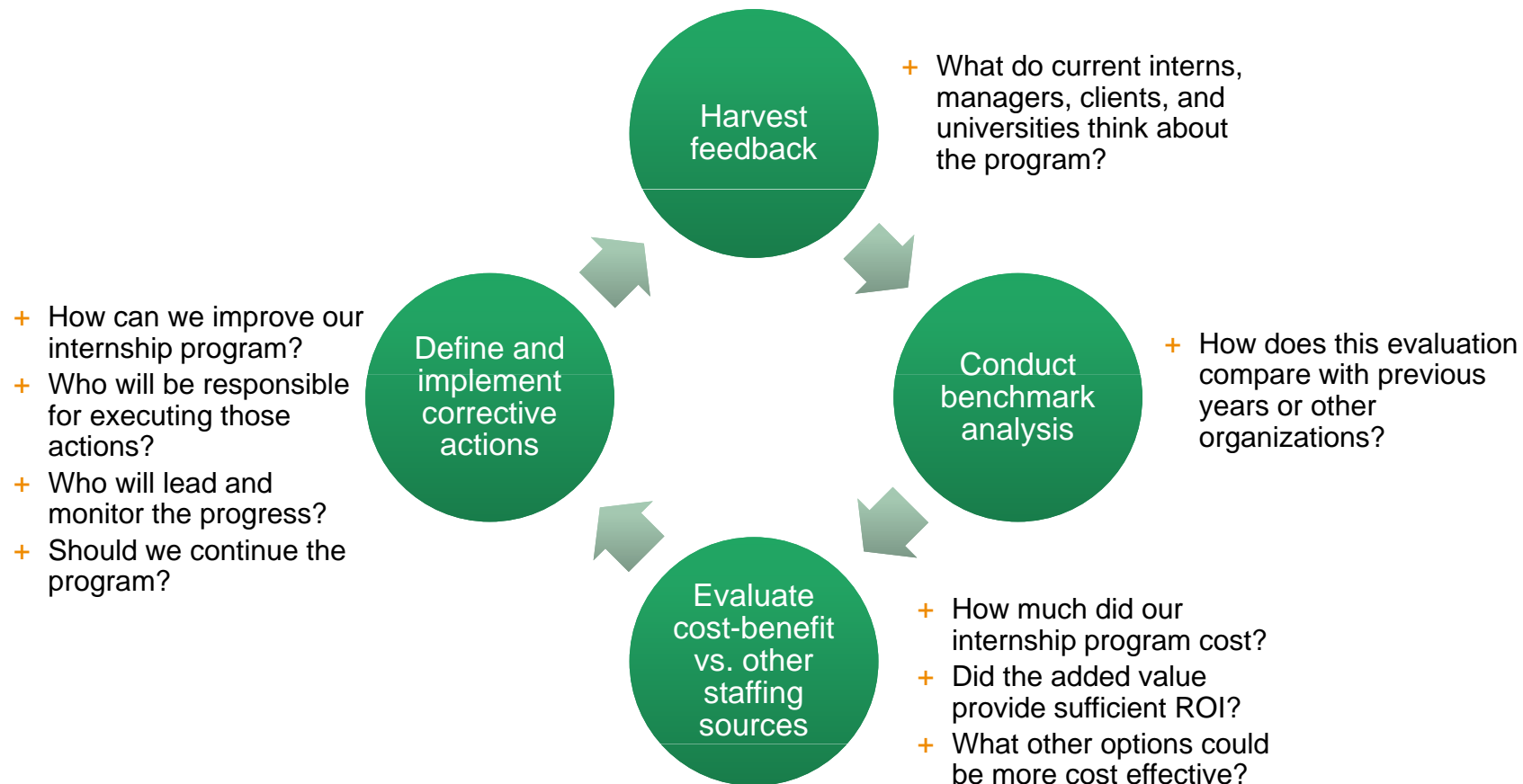
- + Ensure knowledge transfer
 - Transfer all documents managed by the intern to a central information repository
 - Ensure all relevant documents are transferred to people at the organization
 - Get the intern to coach organization members on the usage of financial models and other analytical tools used or created during the internship
- + Give feedback to the intern
 - Assess intern performance
 - Compare performance to benchmark performances by peers and/or other members of the organization
 - Identify strengths and weaknesses
 - Communicate feedback and give recommendations
- + Receive feedback from the intern
 - Ask for detailed feedback on the internship program (recruiting, orientation, work content, supervision, use of time, overall learning from the sector)
 - Request constructive feedback for the organization

Source: Interviews with ANDE members, Grassroots Business Fund Exit Interview Form



> Finally, every organization must evaluate the return of their internship program and determine actions to improve it – this is done through a yearly review process

Internship Program Review Process



Source: Interviews with ANDE members,



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> ANDE has created the MBA Internship Hub to support network members' MBA internship programs

MBA Internship Hub's Activities

- + ANDE's MBA Internship hub will help connect network members to MBA students who are passionate about the internship opportunities offered by
 - Reviewing and posting MBA internship job descriptions
 - Communicating this opportunities to universities
- + ANDE can also assist network members with the development and design of their MBA intern programs
 - Acting as a sounding board for network members' ideas for their own MBA internship programs
 - Continuing to offer relevant training on the social enterprise landscape for network members
 - Supporting the transfer of best practices on MBA internship programs among network members
- + Contact us with your questions at joanna.herrmann@aspennet.org or access the MBA Internship hub job postings at <http://www.aspeninstitute.org/policy-work/aspennet-development-entrepreneurs/jobs/summer>
- + Send your interns to the ANDE Orientation Training in New York May 25-26

