

Faculty Internships

BY EILEEN PEACOCK, CMA, CPA

Faculty internships can be a great way to add real-world experience to the classroom setting and bring in some extra help for corporate projects. Here I'll describe how internships can be arranged and managed, how projects are determined, and the costs and benefits to the intern and the corporate partner. The main benefit of an internship is that you get the faculty member

to leave his/her academic institution and get out into the real world. Many faculty become "institutionalized" and don't want to rejoin the real world, yet we all need to do that from time to time if for nothing else than a reality check. We also can't keep up with the state of the art in our profession without working on corporate projects. In addition, these projects provide wonderful opportunities for research, classroom war stories, and for building professional and social networks.

Project Choice

Experience has shown that a company's management often chooses projects for faculty internships based on a list of projects that aren't crucial to the operation of the company yet have the possibility of

adding value to the operation. Generally these are "back-burner problems" to which the company couldn't afford to dedicate regular corporate personnel, or they are ongoing projects that need additional help. It's good to offer the faculty member several alternatives to choose from so he/she and the company can maximize the outcome of the experience. Faculty should be asked to sign nondisclosure agreements to indicate they will keep company information confidential.

Time Frame

Faculty members often are on nine-month contracts at their universities, so they can work independently for three months over the summer. They also periodically can take sabbatical leave over the nonsummer months.



An ideal internship lasts three months or longer, which allows the faculty member to get more involved in the company's activities.

Compensation

Compensation should be discussed and agreed upon up front. Examples are a per diem amount possibly

based on the faculty member's regular pay or an agreed-upon project amount. The latter, however, may result in a misunderstanding if the faculty member doesn't appear in the workplace regularly, as may be their usual habit at the university, so some expectations regarding time at the office may have to be written into the contract.

Costs and Benefits of an Internship

Faculty Costs: Naturally, perceptions of costs and benefits are unique to an individual. The decision by a faculty member to take an internship is significant. Employees are very comfortable in an environment they know and understand, and working in a foreign environment with different challenges can be stressful for faculty members as there is no longer a feeling of expertise and comfort that goes along with faculty status. Many academics aren't familiar with the corporate workplace, and that naturally can be a cause for concern.

The majority of time periods for internships take place outside the regular semesters—i.e., over the summer break or during a sabbatical. Even though that timing doesn't interfere with teaching, it does interfere with the faculty member's "routine" of working with his/her own schedule, using the time to read, gather data, or write. An internship generally means being at the place of work at a regular time for a set period of time, a situation not encountered by many academics.

Faculty Benefits: There are many benefits to an internship, and no single one stands out as being the most significant. The knowledge a faculty member can gain from this exercise is notable. Today's corporate finance departments function very differently

from those of the past. For example, the degree of global integration and the impact of information systems technology are two areas of immense change, but this can't be fully understood unless someone is directly involved. Bringing this new knowledge into the classroom can be very beneficial. In addition, especially when teaching graduate students, a faculty member can demonstrate current knowledge of the environment. In the case of part-time students, this is generally their environment.

Also, the contacts made during the internship period last over time, which allows opportunities for future research.

School Benefits: The contacts made during the internship continue to be of value over time for the school also. The involvement of a university professor in an internship program enhances the relationship between the university and the company, which could lead to opportunities for student internships as well as faculty internships. In addition, the school might be asked to provide in-house training programs for the company, and/or corporate personnel may be interested in being adjunct faculty or in visiting classes to speak on particular topics. These provide a rich source of classroom material.

Company Costs: Some resources must be allocated to this project, but, if managed properly, the benefits will outweigh these costs. The benefits may be long term rather than immediate.

Company Benefits: The interaction creates a possible source of contacts for student internships, potential employees, and expertise. The engagement of the intern brings a new perspective to issues. Faculty are trained to question and therefore

will approach problems from such a perspective.

FREQUENTLY ASKED QUESTIONS

INTERNSHIP PROVIDER:

Q: Our company information is confidential. How could we allow a nonemployee to work with it?

A: This same question could be targeted at any consultant. Assume the faculty member is a consultant, and have him/her sign papers regarding confidentiality of information. Or choose a project with non-sensitive information.

Q: How should I compensate the faculty member?

A: Suggestions include an amount comparable with a faculty member's summer teaching compensation or payment at a rate equivalent to the faculty member's regular pay. Or faculty may want to negotiate a fee. Sometimes there's a misconception by nonacademics that faculty are controlled by their department chairperson or dean regarding the use of their time. To a certain extent that's true, but faculty generally can make their own decisions regarding their time except when teaching and fulfilling service requirements.

Q: What do I, the provider, get out of this initiative?

A: You "bring the classroom into the company." You improve your relations with an educational institution that can provide student interns, new graduates, and faculty expertise.

FACULTY:

Q: How will this count toward tenure or merit?

A: Faculty are concerned that time away from completing their re-

search, teaching, and service commitments might damage their ability to become tenured. Yet this opportunity will provide many ideas for research, examples for the classroom, contacts for collaborative research, and materials for consulting opportunities. Therefore, given that the faculty member uses the materials for scholarly work, conditions for merit and tenure can improve as a result of the internship.

Q: What's in it for me?

A: Apart from the items mentioned regarding opportunities for scholarship, anyone interested in being current in his/her field would find this opportunity invaluable. In addition, you gain by increasing the number of corporate contacts. This can be an excellent source of data for future projects.

Q: What's in it for my school?

A: Students will gain, as there is increased contact with potential employers for student internships and for placement opportunities. Student accounting societies will be able to choose speakers from a larger pool. Classroom examples will pertain more to the real world and will probably be more interesting and more relevant. ■

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