

Executive Summary

Internships have become the crucial launchpad from college to career in the United States. What once functioned as supplemental work experience now operates as core hiring infrastructure that shapes not just where graduates start, but the longer-term trajectory and momentum of their careers. Students who complete at least one internship are approximately 3 percentage points more likely to be employed one, three, and five years after graduation, half as likely to be underemployed, and seven percentage points more likely to work in roles aligned with their field of study.

The benefit for employers is equally direct. In roles and sectors in which structured internship programs are prevalent, roughly half of interns go on to become full-time hires—and around three-quarters at major professional services firms—proving that these programs are increasingly a key pipeline for entry-level hiring. In much of the economy, the internship has become the interview that lasts a summer.

But access to this advantage is far from universal. Internship participation remains sharply stratified by institution type and socioeconomic background. Students at well-resourced four-year institutions are far more likely to secure positions than their peers at community colleges or under-resourced regional schools.

On the employer side, the gaps are just as stark. In the best-connected industries, employers post roughly two to four entry-level roles for each internship opportunity advertised; in the least-connected, the ratio of entry-level roles to internships exceeds 40 to 1. Small and mid-sized firms, which employ nearly half of the private-sector workforce, generate just 13% of all internship postings. The question is whether the economy can afford a talent engine that only fires for the well-resourced firm and the privileged student.

The conventional analysis of the internship gap focuses on students: who participates and what outcomes follow. But the real bottleneck is not a lack of student ambition. And despite a recent slowdown in hiring in certain sectors, neither is it a lack of entry-level jobs. It is a lack of pipeline: the structured systems that employers design, or fail to design, to identify and develop early-career talent.

Unlike previous research, this report delves deeply into that gap from the demand side. To measure this, we introduce the **entry-level-to-internship ratio**, a simple but revealing diagnostic that identifies exactly where pipeline gaps are largest.

Nationally, employers post 9.9 entry-level roles for every internship. In sectors where internships genuinely function as a hiring pipeline, we see rough parity. In fields like Software Publishers (3.7 entry-level jobs : 1 internship), for example, internships are structurally embedded in how employers fill roles.

Where the ratio diverges sharply, internships stop functioning as pipelines altogether. At newspaper and magazine publishers, internships are scarce, with just one internship posted for approximately 22 people hired into entry-level roles.

This fragmentation is driven by both structural constraints, such as the decentralized nature of certain industries, and strategic choices, like employers opting for just-in-time hiring over long-term talent