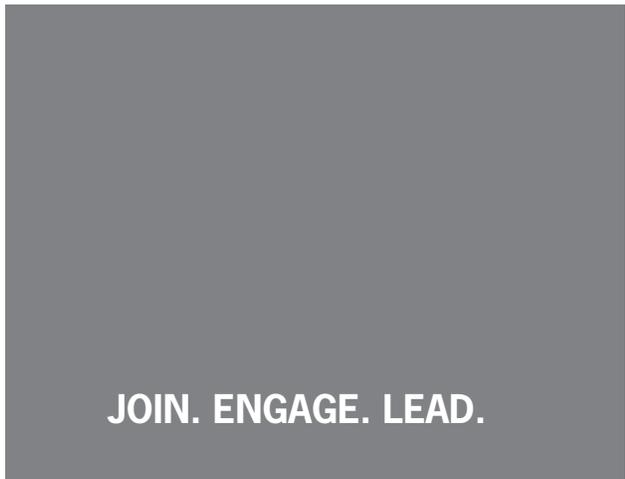




# RMA'S GUIDE FOR IMPLEMENTING AN INTERNSHIP PROGRAM



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This document was developed by community bankers to help other bankers create internship programs. The document includes information on getting the program started, a sample template, real program curriculums used by other banks, and tips. We hope this helps you and your bank with the development and execution of a successful program.

## THE VALUE OF AN INTERNSHIP PROGRAM

Banks have an opportunity to bridge the talent gap and get young people interested in the banking industry. Attracting young talent can be a challenge in an industry that has recently been through turmoil, but an internship program can provide young talent with an introduction to banking and provide them with career options that they may not have considered otherwise.

An internship program can provide many benefits to both the institution and the individual. The individual will have the opportunity to find out if the organization (and the industry) is a match while being exposed to various career opportunities within the bank. The institution will get an opportunity to screen prospective future employees with hands on daily job assignments. What better way to feel out a potential candidate?

A good internship program can create productive candidates. The intern can become a valuable employee rather than someone who has just gone through an exercise the bank has taken on. Putting together an internship program can be scary, so we've put together some information for you to integrate in your own institution.

Many banks don't have a formal program or periodically bring on summer interns through an informal process. Others have developed a process, but want to enhance or formalize it to make it more meaningful and improve results. Either way, we hope this guide will be helpful in developing and maintaining a program that provides a more meaningful experience for both the intern and the bank

## ESTABLISHING GOALS AND OBJECTIVES FOR THE PROGRAM

Define what your organization wants to accomplish with the program.

- Are you filling a temporary need?
- Is the position project focused?
- Is the goal to give back to the community and create good will?
- Is recruiting your ultimate goal?
- If your plan is to convert interns into employees, develop a hiring strategy that occurs the end of the program.

Explore the benefits to the bank?

- Organizational culture: is management supportive or is the buy in of others needed?
- Is the internship a “new build” within the organization or a refinement an ad hoc process?
- Consider all internal hurdles or marketing that should be considered to get started.
- Involve your HR director and department from the beginning and throughout the process.

## DEVELOP A WRITTEN PLAN

It's important to not only develop the plan, but also to document the plan. You may write as detailed a plan as you like, but you should summarize key components of the plan using bullet points. This guide provides points to consider and tailor to your bank's situation, goals, and objectives.

## PLANNING CONSIDERATIONS: SETTING UP THE INTERNSHIP PROGRAM

### **Determine the duration of the program:**

- How long will the program last? The average internship lasts 8 to 12 weeks.
- How many hours per week?
- If the program is not focused on a single task or project, determine the timeline for each segment of the program.
- Tip: A shorter program provides good opportunity for the intern to gain valuable knowledge, but also sets a limit that allows the bank to exit if the individual intern is struggling. Extensions can always be granted.

### **Identify the profile of the desired candidate:**

- What educational background are you seeking? (College major or discipline.)
- Junior, senior, graduate, or masters bound.
- What are the anticipated goals a candidate will attempt to match to the internship?
- What are the selling points/what's in it for them?

### **Determine compensation:**

- Paid internship or unpaid?
  - How much
  - Paid internships (even at a minimum wage) are strongly encouraged. The interns will view this as a real job and are more likely to be engaged. They also are covered by bank confidentiality policies and will likely take the role more seriously.
- How will employment considerations affect your pay structure?
- Involve Human Resources.
- Budget and return on invested capital considerations.

**Determine the content or functional focus of the internship:**

- How broad or narrow will the content be in relation to credit, operations, finance, accounting, marketing?
- What resources are available in the participating departments?
- What are the needs and commitment of the participating departments?
- Determine how specific or general you think the program should be for you and your bank:
  - For smaller institutions a more general approach may be beneficial and more reasonable to implement.
  - For larger community banks the intern could be assigned to more specific business channels or departments within the company.

**Provide good basic upfront training on company HR policies including:**

- Corporate orientation (as you would with a new hire).
- Dress code.
- Work hours.
- Work station.
- Expected arrival and departure hours.

**Develop a Recruiting Plan:**

- Publicize the program within your company so employees are aware of the program and can recommend candidates.
- Partner with universities.
- Contact local school districts and community colleges.
- Post internship opportunities on your company website.
- Post opportunities on social media sites such as twitter and LinkedIn.
- Contact aggregators and referral sources.
- Attend and advertise at job fairs.
- Publicize in work study program activities.

**Work hours:**

- Spring, summer, or fall.
- Flexible work hours that accommodate the intern's class schedule.
- Determine work hours: part time or full time. Summer interns are likely able to work full time. Part time hours better accommodate work during the school year.
- It benefits the intern to assist at peak times of the week in order to be able to have loan packages completed for presentation to various loan committees.

## OVERSIGHT/MANAGEMENT OF THE INTERNS

### **Who will own/sponsor the program?**

- Consider assigning the intern to a single manager/supervisor so the intern knows to whom they are ultimately responsible and accountable. This avoids the trap of managers passing the intern along to the next stop and the intern feeling lost in the organization.
- Identify and involve other stakeholders.

### **How do you measure success?**

- Determine the metrics for both the organization and the candidate.
- Implement an evaluation process.
- Provide periodic feedback throughout the program.

### **Assign and define the role of a mentor:**

- A good internship program involves mentoring.
- The mentor should be someone other than the supervisor.
- Conduct regular face-to-face meetings.
- Allow the mentee to have a go-to person within the organization.
- See “Mentoring Tips” (page 6) for more information.

## EVALUATION/HIRING

### **Conduct an evaluation and an exit interview:**

- This is perhaps the most valuable aspect of the program for the intern.
- Provide an employee evaluation. Consider using the company's internal performance evaluation program to allow for real life experience.
- Conduct an exit interview:
  - Discuss the intern's potential in the banking industry.
  - Ask what he/she gained from the experience.
  - Request feedback on areas of
  - improvement for the program.
- If applicable, follow up with school officials (professors or instructors) and discuss:
  - The quality of the intern and the work done.
  - The intern's potential for success in banking.
  - Issues or concerns for the intern to work on.

**Determine your post internship goals:**

- Continue dialog with the intern.
- Many students are hired well in advance of their graduation date. If the intern is a good fit for the organization, make an offer or clearly state that you are interested in making an offer upon graduation.

## THE ROLE OF THE MENTOR

An often used definition of a mentor is a “trusted counselor or guide.” It is a formal relationship where a more experienced person, a mentor, confers with a less experienced learner, a mentee, to assist in developing some particular skills or knowledge that is helpful in achieving the goals of the mentee. The relationship can be for an agreed upon time or can last as long as it is beneficial.

The original Mentor is a character in Homer’s epic poem The Odyssey. When Odysseus, King of Ithaca went to fight in the Trojan War, he entrusted the care of his kingdom to Mentor. Mentor served as the teacher and overseer of Odysseus son, Telemachus. A few hundred years later, *mentor* was used to refer to someone who was a guide or a counselor. Sometime later, the word came to mean *to guide* or *to counsel*.

## MENTORING DURING AN INTERNSHIP

Internships run for a finite period of time; typically, 8 to 12 weeks. Mentorship should begin prior to the initiation of the term and end when the internship ends. It can be extended after the conclusion of the internship at the discretion of the participants.

Your bank should assign a mentor to the mentee. The mentor should not be in the mentee’s chain of command. This will allow for more comfortable conversations. Interns check-in with their mentor daily to ask questions and to discuss what they are learning and what they think they need to know more about.



## RESPONSIBILITIES OF THE MENTOR

1. Must be an active listener with a passion for helping those new to the industry.
2. Acts as a resource for information about the industry.
3. Establishes trust with the mentee and maintains confidentiality.
4. Challenges the mentee to think actively and analyze all options.
5. Assists in developing both short- and long-term goals.
6. Serves as a sounding board for ideas.
7. Provides vision and insight.
8. Provides encouragement for building self-confidence and stronger self esteem.
9. Offers candid, constructive, and meaningful feedback and critical analysis.
10. Serves as solid role model.
11. Is honest and candid with the mentee without being unkind or unprofessional.
12. Respects the boundaries of the mentorship as set by the mentee.

## RESPONSIBILITIES OF THE MENTEE

1. Make the initial contact and schedule the follow-up meetings.
2. Establish the meeting agenda and send it to the mentor prior to the meeting.
3. Maintain confidentiality at all times.
4. Come into the relationship with a desire to learn and the ambition to succeed.
5. A strong commitment to achieving goals.
6. The ability to listen and accept candid feedback without becoming defensive.
7. Have a personal vision, specific goals, and a good grasp of your own reality.
8. Follow through on commitments and goals set during the mentoring session.
9. Not afraid to tactfully and respectfully disagree with your mentor.
10. Take responsibility of and “own” your life and career.
11. Is always honest with the mentor.
12. Respects the boundaries of the mentorship as set by the mentor.

## ESTABLISHING THE RELATIONSHIP

For the most effective relationship, it is important that the mentor and mentee become familiar with each other and with the process. To accomplish this, both the mentor and mentee should:

1. Summarize their goals and expectations for the relationship.
2. Review each other's profile and work experience.
3. Determine the meeting logistics.
4. The mentor may want to interview the mentee. Questions you may want to ask include:
  - What is important to you?
  - What is your background and valuation experience?
  - What skills do you have with which you are confident?
  - Which skills do you want to develop?
  - How can I help you develop these skills?
  - What attracted you to this program?
  - Six months from now, how would you like to have grown as a result of this mentoring relationship?
  - What one thing can I do to ensure a positive experience for you in this relationship?
5. To prepare for the first meeting, the mentee should:
  - Prepare an updated résumé and or a detailed summary of educational and work experience.
  - Summarize personal and professional goals.
  - Identify goals and expectations of the mentoring relationship.
  - Prepare a personal SWOT (strengths, weaknesses, opportunities, and threats) analysis to help determine areas of focus.

## THE MENTORING MEETINGS

The mentoring meetings should be regularly scheduled and held at least monthly. More frequent meetings may be needed at the onset of the engagement. Mentor visits should be held in person. The mentee should note after each meeting what commitments for action were discussed in each meeting and provide the mentor a copy.

The mentor should be available for less formal conversations between the regularly scheduled events, but the mentee must be respectful of the mentor's time.

The participants should have a candid conversation periodically about the engagement. Both mentor and mentee should discuss the quality of the relationship and what needs to be done to improve it. Candid feedback ensures that the mentoring relationship is mutually beneficial both participants.

## **DEVELOP A PROGRAM OUTLINE AND SCHEDULE**

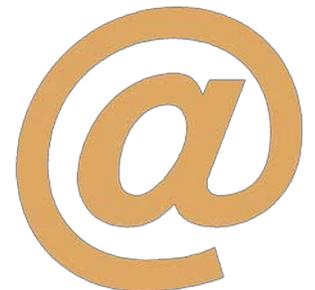
From the plan that you have developed, it is important that you develop a schedule for the internship program that summarizes the objectives, schedule, program component, bank personnel, and meetings to guide the logistics of the program. We have developed an example of this document starting on the next page. It offers a number of ideas for activities and steps to ensure good communication and a diverse experience for the intern.

The outline is followed by examples of learning objectives and schedules used by some banks.

## PROGRAM COMPONENTS AND PLANNING CONSIDERATIONS

SUGGESTED PROGRAM COMPONENTS	PLANNING CONSIDERATIONS
<ol style="list-style-type: none"> <li>1. Orientation:               <ol style="list-style-type: none"> <li>a. Introductions:                   <ol style="list-style-type: none"> <li>i. Designated senior officers (Lending, Credit or both).</li> <li>ii. Functional manager (Credit Department manager).</li> <li>iii. Designated mentor (if different).</li> </ol> </li> <li>b. Logistics:                   <ol style="list-style-type: none"> <li>i. Work space</li> <li>ii. Security</li> <li>iii. Computer/resources/intranet/drive and folders information.</li> <li>iv. Lay of the land (hours, dress code, etc.).</li> </ol> </li> <li>c. Goal setting/objectives of internship.</li> <li>d. Establishing expectations.</li> <li>e. Reporting relationship/role of mentor.</li> <li>f. Meetings and activities to participate in.</li> </ol> </li> </ol>	<ul style="list-style-type: none"> <li>• It's critical to have a well organized introduction and orientation session.</li> <li>• Establish expectations up front by introducing the intern to key people and providing an overview of expectations and processes.</li> <li>• Tour the bank and cover rules and expectations for the intern.</li> </ul>
<ol style="list-style-type: none"> <li>2. Fundamentals               <ol style="list-style-type: none"> <li>a. Banking overview: What is a bank and how does it work?</li> <li>b. Bank structure, emphasis and target customers.</li> <li>c. Bank credit culture and role.</li> <li>d. Credit/lending process overview.</li> <li>e. Bank policy and procedures.</li> </ol> </li> </ol>	<ul style="list-style-type: none"> <li>• Provide the intern with an overview of what a bank is, your bank's history, characteristics, and focus, and how the process works.</li> <li>• Relate it to where the intern fits into the process.</li> </ul>
<ol style="list-style-type: none"> <li>3. Credit               <ol style="list-style-type: none"> <li>a. Loan officers/loan administrators.</li> <li>b. Credit process and interaction with lenders.</li> <li>c. Spreads and related worksheets.</li> <li>d. Credit memos and loan presentations.</li> <li>e. Approval process.</li> <li>f. Documentation process.</li> <li>g. Post closing and booking.</li> </ol> </li> </ol>	<ul style="list-style-type: none"> <li>• Leader discussion and training exercise to help intern see specifics of the lending process showing examples of documents/systems.</li> </ul>

SUGGESTED PROGRAM COMPONENTS	PLANNING CONSIDERATIONS
<p><b>4. Skills development</b></p> <ul style="list-style-type: none"> <li>a. Self study.</li> <li>b. Mentor-led discussions.</li> </ul>	<ul style="list-style-type: none"> <li>• Training should be provided for each intern as needed.</li> <li>• Use a combination of leader discussion and activities to reinforce the lesson or use on-line credit training sessions available from RMA or other vendors.</li> </ul>
<p><b>5. Work assignments</b></p> <ul style="list-style-type: none"> <li>a. Spreads and related worksheets/forms.</li> <li>b. Annual reviews.</li> <li>c. Risk ratings.</li> <li>d. New requests and renewals.</li> <li>e. Covenant monitoring/borrowing base.</li> </ul>	<ul style="list-style-type: none"> <li>• This is where the intern will spend a great deal of their time learning about and contributing to the designated process.</li> <li>• These are suggested areas where practical work assignments are developed and assigned to the intern.</li> <li>• These projects should be assigned and reviewed by the mentor or designated supervisor and feedback provided as necessary.</li> </ul>
<p><b>6. Learning opportunities: other key processes:</b></p> <ul style="list-style-type: none"> <li><b>a.</b> Commercial lending.</li> <li><b>b.</b> Portfolio monitoring.</li> <li><b>c.</b> Loan review.</li> <li><b>d.</b> Appraisal management and environmental evaluation.</li> <li><b>e.</b> Specialty areas (based on desired scope and time available):             <ul style="list-style-type: none"> <li><b>i.</b> Loan operations.</li> <li><b>ii.</b> Cash management.</li> <li><b>iii.</b> Consumer lending.</li> <li><b>iv.</b> Special assets.</li> <li><b>v.</b> Etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• It is important to organize and present a series of informal “field trips” to allow the intern to learn more about other areas.</li> <li>• Provide one- to two-hour sessions with functional leaders or a more formal one-day session so your intern understands the function combined with a practical task.</li> <li>• Keep in mind that this interaction can also serve as part of the recruiting process to provide a positive impression of the bank.</li> </ul>



## INTERN LEARNING OBJECTIVES AND ACTIVITIES:

### EXAMPLE 1

#### Primary Project

Provide assistance with managing the existing credit portfolio.

Learning objectives examples:

1. Learn how to navigate the following systems:
  - Core system
  - Financial spreading
2. Learn the spreading software program.
3. Learn how to find exceptions.
4. Learn how to spread financial statements.
5. Learn how to clear exceptions.
6. Identify the following titled documents:
  - Risk Scorecards.
  - Credit Memo/Approval.
  - Financial Statement.
  - Fiscal Year End Financial Statement.
  - Fiscal Year End Income Statement.
  - Rent Roll.
  - Tax Return/Tax Return Extensions.

#### Secondary Project

Assist with preparing annual customer reviews.

Learning exercises examples:

- Attend weekly Senior Loan Committee meetings.
- Attend regular team meetings.
- Attend one Officers Meeting.
- Actively participate in two community/volunteer events.
- Prepare, present, and decision a credit memo in the “mock” Senior Loan Committee meeting.

**EXAMPLE 2**

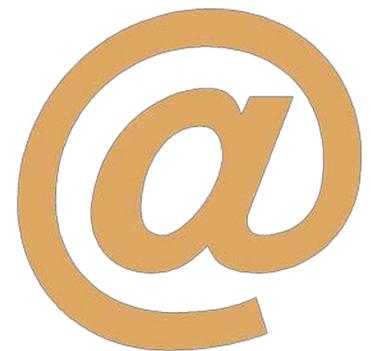
<b>TIMELINE</b>	<b>ACTIVITIES</b>
Week 1	<ul style="list-style-type: none"> <li>• Introduction to the bank, and job shadowing a credit analyst.</li> <li>• Learn to spread a simple C&amp;I financial statement from existing customers within our spreading software.</li> <li>• Give credit training class slides for Credit Analysis and Covenant Calculations, and Loan Structures Introduction to study.</li> <li>• Have them work on a marketing project (input business cards into our prospects database and doing Google/web searches of prospective customers).</li> <li>• Have them calculate covenants on existing customer interim financial review forms.</li> </ul>
Week 2	<ul style="list-style-type: none"> <li>• Go through credit training materials together so that they understand financial analysis and its purpose, as well as commercial loan types.</li> <li>• Job shadow with front office (tellers) and treasury management for 2–3 days to begin to understand cash management and deposits.</li> <li>• Have them spread financial statement and work with credit analyst on live deals. Credit Analyst provides feedback on accuracy.</li> <li>• Have them scan loan documents and credit file information into our on-line credit files</li> </ul>
Week 3	<ul style="list-style-type: none"> <li>• Job shadow relationship manager on a day of business calls (customers and prospects), responsible for note taking on calls.</li> <li>• Work on other sections of loan write-ups (such as eMentor industry analysis, Web searches) including background, industry ratio comparison and economic outlook.</li> <li>• Learn to spread personal tax returns in spreading software.</li> <li>• Spend time with other lenders to learn about their areas of interest and portfolios.</li> <li>• Continue spreading statements, working on interim monitoring reports.</li> </ul>

**TIMELINE**

**ACTIVITIES**

Weeks  
4–10

- Go through credit training class slides on Cash Flow Measurements and Commercial Real Estate Lending & Appraisals.
- Complete a review of an appraisal (checked by credit analyst).
- Assist with credit analyst's duties of financial spreading and cursory analysis, credit analysis of industry, and filing of scanned documents.
- Marketing research projects: have them help with background research on prospects or an industry, or with the details of organizing and putting on a customer function.
- Meet with senior lending management for lunch so that they can get a senior banker's perspective.
- End of Internship: review of things learned, strengths and weakness, and exit interview of what worked and what didn't for them.
- Offer to provide work reference and other contacts within banking community
- Going away party.



### EXAMPLE 3

## SUGGESTED ACTIVITIES IN CREDIT ANALYSIS DEPARTMENT

### Financial Statement Spread Desk

- Assists with spreading financial statements for use by senior analysts.
- Develops familiarity with the spreading program and gains an understanding of various reports derived from the spreading program.

### Analysis

- Vendor analysis: assists with the analysis of existing and proposed vendors of your bank.
- Bank analysis: assists in monitoring the condition of banks that have Fed Funds relationships with your bank.
- Reads and reviews Executive Committee Reports, attends Executive Loan Committee meetings to understand the decision making process for commercial loans.

### Reports

- Assists with Policy Exception Reports.
- Assists with various concentration reports.
- Assists with the Loan Agreement Covenant Report.
- Assists with the \$100,000+ Overdraft Report.

### Projects

- Assists senior analysts with the department's workload to ensure tasks are prioritized correctly and completed before stated deadlines.
- Assists with any projects that arise. Some of these projects provide information to management.

## EXAMPLE 4

### YOUR BANK INTERNSHIP PROGRAM

#### **INTERNSHIP: THE PROGRAM**

The Your Bank Internship program is a 10-week program designed to give students real-life credit training in the banking industry.

Students will spend time in multiple lines of business within the bank in order to attain a broadened knowledge of the industry.

## INTERNSHIP: PURPOSE

The purpose of the internship will be to allow students an opportunity to evaluate the different career paths available within the community banking environment.

- This will help build relationships with top performing students to aid with recruitment into specialized positions after they have completed their degree.
- This will also help the bank expand its brand recognition with students entering the workforce.

## INTERNSHIP: ROTATION

Each student will be on a weekly rotation schedule that will tentatively consist of working:

Three days in Commercial Credit and

Two days in other specified departments.

### INTERNSHIP: ROTATION

Week	Monday	Tuesday	Wednesday	Thursday	Friday
1	Credit	Credit	Credit	Commercial	Commercial
2	Credit	Credit	Credit	Middle	Treasury
3	Credit	Credit	Credit	Credit Ops	Credit Ops
4	Credit	Credit	Credit	Credit Admin.	Special Assets
5	Credit	Credit	Credit	Loan Ops	Technology
6	Credit	Credit	Credit	Accounting	Treasury
7	Credit	Credit	Credit	HR	Audit
8	Credit	Credit	Credit	Wealth Mgmt.	Retail

### INTERNSHIP: MENTORS

The internship program provides students with experienced professionals bankers who can share with them their experiences and offer advice based on their careers.



Mentors will have regularly scheduled meeting with students throughout the 10-week program.

## **INTERNSHIP: EVALUTATION**

The internship program success will be measured by successful completion of the 10-week program and positive evaluations as listed:

- Pre-Internship evaluation for student to gauge expectations.
- Manager evaluation to offer feedback to student.
- Post-Internship evaluation for students to give feedback on their experience and if their expectations were met.



Your bank's name here

# SUMMER INTERNSHIP PROGRAM

**Are you looking for a challenging, valuable, way to spend your summer?**

You might be looking for an internship with **Your Bank**. Our 10-week program gives you the opportunity to gain real life experience working on challenging and meaningful projects. You'll work alongside our experienced professionals in their respective markets. As an intern, you'll participate in various professional development activities and you'll have mentors to help you learn to the banking culture.

**Requirements:**

- Incoming Junior or Senior.
- GPA 3.0 or higher.
- Strong accounting, analytical, and computer skills.
- Available for employment **[month, day, year]**.
- Must be able to work in the U.S. without visa sponsorship by employer.
- Business Major preferred.

Email **internship@yourbank.com** today and request the Summer Internship link, which will take you to the online application.

Interested candidates should apply no later than April 15.

Your bank logo here.

**Yourbank.com**

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