Factors predicting the conversion of interns into regular employees: An empirical study of business internships in China

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This thesis is presented for the Degree of Doctor of Philosophy of Curtin University

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Declaration

To the best of my knowledge and belief this thesis contains no material previously published by any other person except where due acknowledgment has been made. This thesis contains no material, which has been accepted for the award of any other degree or diploma in any university.

Signature:  …………………………………………………...

Date:  …………………………………..
Abstract

Student participation in internships and their use by organisations as a means to recruit and select graduate talent has undergone rapid expansion over the last three decades, to the point where today many interns and host organisations regard internships as the preferred pathway into entry-level professional positions. However, research on the topic to date has largely neglected any investigation of the factors, which assist in determining the successful conversion of interns into regular employees with their internship host organisations. The identification of the predictors of this conversion is necessary in order to enhance the effectiveness of internships as a recruitment and selection tool capable of meeting the staffing demands of contemporary organisations, particularly those operating within China.

In order to ensure the contextual relevance of the predictors of intern conversion included in this study, 23 preliminary interviews were conducted prior to the main study. The main study tested the hypothesised model, which proposed relationships between variables predicting intern conversion, including an intern’s proactive personality and in-role performance, in addition to the mediating role of Leader Member Exchange (LMX). The data was obtained by surveys, which were conducted at three different time intervals. The surveys were gathered from 606 respondents representing 303 intern-supervisor dyads within organisations in China. The data was subsequently analysed using structural equation modelling.

The findings largely supported the hypothesised relationships constituting the model. Specifically, LMX acted as a full mediator in the relationship between proactive personality and internship outcomes linked to conversion including learning opportunities, internship satisfaction, and intern in-role performance. However, intern in-role performance played a weak role in influencing supervisory intentions to employ interns, and counter to expectations intern learning was not found to have a relationship with regard to interns’ intention to convert. However, the Chinese contextual variable of pre-internship guanxi significantly influenced intern employment outcomes with the host organisation following graduation. The findings have implications beyond advancing theory that is associated with internships specifically, by extending the reach of established organisational theories into the new employment context of internships and particularly internships in China. In addition, the study provides the host organisations with guidance for enhancing the effectiveness of their internship programs for attracting and screening future generations of organisational talent.
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Finally, I would like to dedicate this work to the large number of participants who generously gave their time to be interviewed and surveyed for this study. Without their participation, this study would have not been possible. Consequently, I hope the findings of this study are able to contribute to improving relevant practice, thus making their efforts worthwhile.
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Chapter 1. Introduction

1.1. Background to the Research

It has been asserted by business leaders that finding talented employees is the predominant management challenge of this decade (Deloitte, 2010; Manpower Group, 2012; Thunnissen, Boselie, & Fruytier, 2013), due largely to increasing competitive global talent market conditions (Holtom, Mitchell, Lee, & Berry, 2008; Schuler, Jackson, & Tariq, 2011b). As a result, organisations are required to develop increasingly proactive strategies aimed at ensuring adequately stocked organisational talent pools, in order to maintain and build their competitive advantage (Ashton & Morton, 2005; Mellahi & Collings, 2010; Schuler, Jackson, & Tariq, 2011a), a situation which is particularly true for organisations operating within the restrictive Chinese talent market (Chatterjee, Nankervis, & Connell, 2013; Elliott, Jiang, Redding, & Stening, 2010). Thus, internships are progressively being used by more organisations both globally and in China, as a means by which to attract and identify talented future employees, to the point where, in many organisations, internships have become the primary pathway into entry level positions for university graduates (Gerdes, 2009; National Association of Colleges and Employers (NACE), 2013).

The prevalent utilisation of internships by practitioners in a recruitment and selection capacity is not surprising, given the number of unique strengths internships have when they are considered as a supplement to organisational recruitment and selection efforts. Primarily, internships provide a unique opportunity for host organisations to evaluate potential job applicants in an actual workplace setting, prior to making a formal commitment to their employment, in what Coco (2000) refers to as a ‘try before you buy arrangement’. Therefore, although internships represent a greater investment by organisations when contrasted with traditional recruitment and selection methods this expenditure can be justified, due to the potential for internships to provide a more reflective picture of how potential employees will behave in post internship employment positions. Thus, reducing the risk of the large
organisational costs associated with incorrect employee selection decisions (Cascio, 2006). Concurrently, from a recruitment perspective, internships provide interns with the opportunity to evaluate a potential employer prior to making the decision to accept a job offer, therefore also enhancing their fit with the organisation and their jobs if they convert to regular employment with the host organisation (Resick, Baltes, & Shantz, 2007).

The effective leveraging of internships as a recruitment and selection tool can contribute towards supplying future employees who are an enhanced match to the organisation. Despite the apparent suitability of internships as a recruitment and selection tool, and their existing widespread application in this capacity, the recruitment and selection literature has largely neglected internships to date. In the case of recruitment the focus of research has traditionally been on a narrow range of topics including recruitment sources, organisational attractiveness and realistic job previews (Dineen, Ling, Ash, & DelVecchio, 2007; Rynes, Bretz, & Gerhart, 1991). This traditional body of work has been criticised for lacking practical relevance (Breaugh, 2008b; Ployhart, 2006; Saks, 2006), leading to calls for research addressing the specific features of the recruitment process which enhance organisational outcomes (Uggerslev, Fassina, & Kraichy, 2012). Thus, the examination of internships conceptualised, as a recruitment process is able to address such calls, by providing insight into which factors during the internship experience contribute to the effective conversion of interns into regular employees after their graduation.

In common with the recruitment literature, the selection literature has also traditionally focused on a narrow range of selection methods, including interviews, resumes and personality tests (Posthuma, Morgeson, & Campion, 2002), and to a lesser degree bio-data (Breaugh, 2009), situational judgement tests (Whetzel & McDaniel, 2009) and assessment centres (Thornton III & Gibbons, 2009). However, the ability of these methods to predict post-employment behaviours, such as employee performance, has been questioned (Breaugh, 2009; Hunter & Hunter, 1984; Posthuma et al., 2002; Thornton III & Gibbons, 2009). The lack of predictive validity of these traditional selection methods has primarily been attributed to their susceptibility to faking by candidates, and that they evaluate candidates in maximum
performance rather than in typical performance settings (Arthur, Glaze, Villado, & Taylor, 2009). This has led, to calls to broaden the scope of selection research, to include alternative selection methods that are capable of overcoming these weaknesses (Breaugh & Starke, 2000; Rynes, 1991), calls which have largely gone unanswered to date. However, given that interns are placed in an actual work setting for an extended period of time prior to employment, internships can provide an alternative selection method, with the potential to mitigate both of the aforementioned weaknesses of traditional selection methods.

Turning to the extant body of internship literature, there is currently a lack of work available which provides insights into which factors determine the successful conversion of interns into regular employees with their host organisation, and hence the functioning of internships in a recruitment and selection capacity. The sparseness literature addressing the functioning of internships in this capacity can be attributed to the fact that the majority of previous internship literature has largely conceptualised internships as a learning experience for interns. Thus it has predominantly focused on outcomes including intern learning and their enhanced employability in the labour market generally (Callanan & Benzing, 2004; Knemeyer & Murphy, 2001). Therefore, the examination of internships from a host organisation’s recruitment and selection perspective has largely been overlooked, with the exception of an emerging stream of literature which has begun to redress this imbalance (Beenen & Mrousseau, 2010; Zhao & Liden, 2011).

Furthermore, past reviews of the internship literature have highlighted the dearth of any theoretical base driving internship studies (Bartkus, 2007). Thus, a vast majority of wider organisational theories remain untested within the relatively distinct employment context of internships, and consequently it is unknown whether wider organisational theories are applicable for predicting intern conversion into regular employees with their host organisations. As a result, further studies are required in order to examine which factors and extant theories contribute to predicting the host organisation’s desire to convert interns into regular employees, and the intern’s desire to be converted, in order to enhance the effectiveness of internships in a recruitment and selection capacity.
1.2. Research Objective

Given the deficiencies and opportunities identified in the literature thus far, coupled with current organisational practices, it is clear that the investigation of intern conversion is both of practical and theoretical relevance. Hence, this study will address the core research objective of identifying which variables and interactions between them, contribute to predicting the conversion of interns into regular employees with their host organisations after graduation. Whilst concurrently addressing the subsidiary research question, ofdo relevant extant theories developed in regular employment settings assist in predicting the conversion of interns into regular employees with their host organisations following graduation?

In order to address the above core research objectives of this study, data was gathered to test the hypothesised model presented in Figure 1.1, incorporating the following individual hypotheses:

Hypothesis 1: An intern’s proactive personality is positively related to the quality of intern-supervisor, leader-member exchange (LMX).

Hypothesis 2: The quality of intern-supervisor, leader-member exchange (LMX) is positively related to an intern’s learning opportunities.

Hypothesis 3: The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern in-role performance.

Hypothesis 4: The quality of intern-supervisor, leader-member exchange (LMX) is positively related to internship satisfaction.

Hypothesis 5: The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern intention to convert to regular employment with the host organisation.

Hypothesis 6: The quality of intern-supervisor, Leader Member Exchange (LMX) is positively related to the supervisor’s intention to convert the intern.
**Hypothesis 7a:** The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their learning opportunities.

**Hypothesis 7b:** The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their in-role performance.

**Hypothesis 7c:** The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and internship satisfaction.

**Hypothesis 7d:** The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and the supervisors’ intention to convert them.

**Hypothesis 8:** The learning opportunities experienced by interns are positively related to their internship satisfaction.

**Hypothesis 9:** The learning opportunities that interns experience are positively related to their intention to convert into employment with the host organisation.

**Hypothesis 10:** The interns’ level of internship satisfaction is positively related to their in-role performance.

**Hypothesis 11:** The interns’ level of internship satisfaction is positively related to their intention to convert into employment with the host organisation.

**Hypothesis 12:** The interns’ intention to convert to regular employment with their host organisation is positively related to their actual conversion to regular employment with the host organisation.

**Hypothesis 13:** The interns’ in-role performance is positively related to their supervisor’s intention to convert them.
Hypothesis 14: The supervisor’s intention to convert an intern is positively related to the intern’s actual conversion into regular employment with the host organisation.

Hypothesis 15: The interns’ pre-internship guanxi with the host organisation is positively related to their actual conversion into regular employment with the host organisation.

Essentially this study’s findings relating to the aforementioned objectives support host organisations’ use of internships as a supplementary method of recruitment and selection. In addition, this study concludes that organisational theories developed in regular employment contexts such as those theories associated with proactive employees, Leader Member Exchange (LMX), and newcomer organisational entry, generalise to predicting intern conversion. However, the findings also highlight that due to the uniqueness of the intern’s decision to convert, internship researchers should be cautious about which theories they borrow from the wider organisational literature.

In addition, the findings suggest that in order for internships recruitment and selection outcomes to be maximised, host organisations should reconceptualise their internship programs, as a formal component of their recruitment and selection process. Therefore, this study advocates a move away from the traditional conceptualisation of internships as solely learning processes for interns. In addition, the study suggests that the younger generations of Chinese employees represented by interns in this study’s sample have increasingly convergent behaviours with those expected from employees in Western employment settings.
The findings of this study, associated with testing the hypothesised model advance theoretical knowledge in numinous areas of organisational scholarship, will be discussed in detail in Chapter Seven of this thesis. Primarily, the study’s findings contribute towards filling two major theoretical voids in the current internship literature; namely the lack of a theoretical foundation in internship work generally, and the lack of internship theory developed from a host organisation’s recruitment and selection perspective. In addition, this study extends the reach of a number of core organisational theories into the new employment setting of internships, thereby providing the lacking theoretical scaffolding on which to build internship theory capable of enhancing intern conversion.

More specifically, the findings of this study make a number of particularly unique contributions, for instance by linking the interns’ intention to convert formed during
the internship with actual conversion into regular employment after their graduation, rather than simply inferring actual conversion from the interns’ intention to convert formed during the internship, as in much of the previous work. In addition, the findings also contribute to wider organisational theory, by substantiating that, high-quality LMX is able to develop in a short duration and potentially transient intern-supervisor exchange relationships, which differ significantly from the types the longer-term stable regular employment relationship in which LMX has previously been investigated.

In addition, the study also enhances the understanding of the mechanisms through which proactive personalities achieve workplace outcomes, by evidencing the pivotal intervening role of the intern-supervisor relationship on proactive interns achieving desired outcomes. The study also indicates that factors outside of the internships experience also impact on conversion and it sheds light on the unique aspects of an intern’s conversion decision, relative to a regular employees’ decision to remain with their existing employer. In addition, the findings of this study also contribute to the wider recruitment and selection literature, by demonstrating how internships can function as a typical performance selection setting. Specifically by facilitating the evaluation of important selection criteria including intern in-role performance and proactive personality, thereby providing an alternative to maximum performance selection settings associated with selection methods, such as interviews and personality tests. Furthermore, the study also makes a methodological contribution, by developing and validating a new scale to measure the impact of guanxi on graduate employment outcomes in China.

The findings from this study also have a number of practical implications for host organisations who wish to design their internship programs to enhance intern conversion outcomes. Including designing internships to be reflective of regular employee organisational entry, rather than a more incremental learning process, to allow the evaluation of key selection criteria within a typical performance setting. Whilst also advising that internships are formally incorporated, as a component of a multiple hurdle selection process, including the explicit evaluation of specific selection criteria during the internship, such as intern-in-role performance and intern proactive behaviours. In addition advocating, that internships be designed to
facilitate high-quality intern-supervisor relationships, in order to maximise conversion outcomes.

1.3. Relevance

Research addressing the objectives of this study is necessary because of the gulf between practitioners’ extensive utilisation of their intern pools as a source of future employees, and the extant internship theory that is able to direct host organisations’ efforts towards successfully converting interns into regular employees. It is particularly timely to examine internships in a recruitment and selection capacity, since due to an increasingly competitive global talent market, managers are required to become increasingly proactive in developing strategies to ensure adequately stocked organisational talent pools (Beechler & Woodward, 2009; Schuler et al., 2011b; Thunnissen et al., 2013). However, managers are currently provided with sparse guidance from researchers given the dearth of current literature regarding how internships can be better utilised to attract and identify future employees. Therefore, internship research attempting to narrow this gulf between practice and theory is essential, as organisational theories draw their legitimacy from their practical relevance to managers on the ground. Thus, this research is able to answer recurrent calls for organisational research, which better meets the needs of management practitioners (Cummings, 2007; DeNisi, 2010; Van de Ven, 2002).

Furthermore at the current juncture of China’s economic development, this study is particularly relevant, given the current acute mismatch between the future generations of talent supplied by universities, and the talent demands of contemporary organisations operating in China (Chatterjee et al., 2013; Farrell & Grant, 2005; Johnson & Weiss, 2008). The graduate supply deficit does not stem from the quantity of graduates supplied by universities, as in 2009 alone 5.7 million students graduated from Chinese universities (Chinese Ministry of Education, 2010). Rather, the mismatch is caused by the small number of graduates with skill sets, which match the demands of contemporary organisations operating in China. For instance, it is estimated that, of the 15.7 million university graduates (excluding medical graduates) who graduated between 2003 and 2008, only 1.2 million would be equipped with the required skill sets to adequately fill high-demand positions
within multinational organisations in China (Farrell & Grant, 2005). Thus, internship programs have been extensively applied in China by organisations as a means of tapping into the scarce supply of talented graduates (Buderi & Huang, 2006; Chen & Hoskin, 2007; Schmidt, 2011), and now a majority of Chinese university students participate in programs internships prior to graduation (Liu, Wang, & Chen, 2010; Qiang, 1993; Wang, 2005). Thus, it is timely both globally and particularly in China to investigate internships, as a means to channel talented interns into regular employment with their host organisations.

1.4. Methodology

The methodology applied in the main study of this thesis is underpinned by the positivist research tradition; hence this study is predominantly deductive and quantitative in nature (Ayala, 2009). This methodology approach was appropriate for meeting the objectives of this study, which require the empirical measurement of causal relationships which influence intern conversion (Antonakis, Bendahan, Jacquart, & Lalive, 2010). However, given the dearth of relevant extant theory tested within the context of internships, the main study will be preceded by a preliminary qualitative study, which informed the development of the hypothesised model tested in the main study. It should however be noted that this is not a mixed-method study, as the qualitative results were used in a limited exploratory capacity, and will not be triangulated with the quantitative findings of the main study (Greene, Caracelli, & Graham, 1989; Johnson, Onwuegbuzie, & Turner, 2007; Sandelowski, 2003).

The preliminary qualitative study consisted of 21 semi-structured interviews with former interns and host organisation representatives, followed by thematic analysis, given the suitability of these approaches for unearthing and confirming issues or variables of contextual relevance prior to a quantitative study (Boyatzis, 1998; Firth & Gleeson, 2004; Trochim, 2005). The main study collected survey data from 606 respondents, representing 303 intern-supervisor dyads in China. The data was collected at three separate time intervals: 8 weeks after the commencement of internships, 2 weeks prior to the conclusion of the internship, and after the interns’ graduation from their undergraduate degree programs. In addition to the multiple source and time interval research design of this study, additional steps were taken to
increase the level of confidence in this study’s results, particularly relating to pretesting and screening measures used in order to ensure their validity for capturing the targeted variables within the context of this study. Furthermore, one new scale to measure the variable of pre-internship guanxi was developed and validated in this study, by qualitatively generating items, with 126 participants and validated on a sample of 227 respondents, prior to applying this scale in the main study.

The analysis strategy selected for the main study was structural equation modelling (SEM), because this strategy allowed the study to simultaneously estimate distinct yet interdependent direct relationships which collectively contribute to predicting intern conversion (Hair, Anderson, Tatham, & Black, 1998), facilitating a more reflective picture of intern conversion than provided by alternative analysis methods such as regression analysis (Cheng, 2001; Gefen, Straub, & Boudreau, 2000). Furthermore, SEM is particularly well-suited to performing statistical mediation analysis, as required by this study (Iacobucci, Saldanha, & Deng, 2007).

1.5. Outline of Thesis

The present chapter overviews this thesis in its entirety; the subsequent chapters will discuss the issues identified in this chapter in detail, as outlined below:

Chapter 2 orientates this study relative to its Chinese backdrop, and highlights the importance of undertaking this study in China, before outlining the current state of internship knowledge, and highlighting deficiencies in this body of knowledge.

Chapter 3 details this study’s research design and the philosophical assumptions guiding its design, prior to outlining the study’s research design and analysis strategy in detail, and reporting the results of the pre-tests of the measures used in the study. The chapter reports the characteristics of the main study’s sample, and assesses the sample for representativeness relative to the target population and for the presence of non-response bias.

Chapter 4 reports the results of pilot interviews (n=21) used to identify contextually relevant variables for inclusion in this study’s hypothesised model, and combines
these results with relevant extant literature, in order to develop the 18 hypothesised relationships which constitute the hypothesised model tested in the main study.

Chapter 5 details and reports the steps taken to develop and validate a new measure of pre-internship guanxi, for inclusion in the main study. These steps include the item generation study, consisting of focus group discussions, free-listing, pile-sorting and scenario activities, as well as judge analysis (n =126), and validation of the study consisting of a pilot distribution of the scale (n = 227).

Chapter 6 reports the results of the main study (n=606). Part One of the chapter reports the results of the assessment of this study’s measurement model. Part Two reports the results of the tested structural model and individual hypotheses. The closing sections of this chapter provide additional support for the hypothesised model, including the evaluation of statistical control, statistical power, and alternative structural models.

Chapter 7 discusses the findings of the main study, relative to the broad research questions driving this study, and the results of individual hypotheses proposed, before detailing the implications of this of this study’s findings for theory, methodology and practice, and concluding by identifying the limitations of this study and identifying avenues for future research.

1.6. Definitions

Definitions are often not uniform across studies; thus the usage of key terms which have a degree of ambiguity will be clarified in this section as they relate to this study. In regards to the specific theoretical constructs that constitute the hypothesised model, these will be defined and operationalised in detail in subsequent chapters. However, there are some general terms requiring earlier definition, as defined below:

Internships. The two recurring terms used when referring to the programs, in which university students gain real world experiences, in settings outside of the classroom, are internship and cooperative education or co-ops (Gault, Redington, & Schlager, 2000). Although these terms are often used interchangeably, this study uses the broader term “internship”, which Taylor (1988, p. 393) defines as "structured and
career relevant work experiences obtained by students prior to graduation from an academic program. During internships the level of structure and systematic integration with interns’ academic learning is variable and generally low, when contrasted with cooperative education, where a formal arrangement exists between the university and the host organisation, allowing systematic integration of the work experience with academic learning (Cooperative Education & Internship Association [CEIA], 2012; D’Abate, Youndt and Wenzel(2009). Therefore, the term “cooperative education” is more applicable when referring to specific majors’ experiential learning programs; for instance, those within engineering where the nature of the major facilitates a higher degree of integration between work experience and academic learning, as well as a high degree of standardisation. In contrast to the internships within business schools, which span a wide range of industries, job types, and thus degree of formal structure, as is the case with this study.

**Conversion.** The term “conversion” is generally defined as the process by which something that is changed from one use, function, or purpose to another (Merriam-Webster, 2012), in the case of this research changing an intern into a regular employee with the host organisation after graduation. The term “conversion” as used in this study captures both the recruitment and selection dimensions of internships. Recruitment is those organisational activities which (1) influence the number and/or types of applicants who apply for a position and/or (2) affect whether a job offer is accepted” (Breaugh, 1992, p. 4) and selection is the process of screening applicants to choose the best candidate for existing and future employment openings (Snell & Bohlander, 2010), both tasks which can simultaneously be performed during internships. Hence, the term “conversion” is used to encapsulate both an intern’s desire to convert (recruitment) and the organisation’s desire to convert the intern (selection).

### 1.7. Limitations of Scope and Assumptions

As mentioned previously, the term “internship” encompasses a range of student work-related experiences; thus the particular type of internship investigated in this study has implications for the ability to generalise from the findings. Firstly, only interns enrolled within the business school were selected as the population for this
study, because their internship experiences are likely to be representative of a diverse range of industries, organisations and career paths, rather than internships within more narrowly defined disciplines, education, engineering, or medicine. Furthermore, the target population only included students enrolled in four-year full-time undergraduate degree programs, thus providing a relatively homogeneous sample when contrasted with, for instance, MBA interns, whose ages and experience levels may vary considerably. In addition, only full-time internships of approximately three months in length were studied, which may differ from, for instance, internships completed part-time over a longer period. However, within these above delimitations the study captures a representative internship experience for a substantial proportion of interns, particularly for those in China.

1.8. Summary

This chapter has briefly situated the study relative to the current practical and theoretical situation, highlighting both the gaps and opportunities, which instigated this study and gave rise to the research objectives stated in this chapter. The chapter then proceeded to outline the study’s hypothesised model and the methodology to be used to test the model. This chapter then concludes with definitions of the key terms in this study and the delimitations that frame the study. The subsequent chapters in this thesis will build on the foundations of this chapter, by providing an in-depth description of the research background, methodology, findings and contributions to theory and practice.
Chapter 2. Research Background

Chapter 1 provided an overview of this thesis, and centred it on the core research question, of “What are the variables which influence the conversion of interns into regular employees?” Part One of the present chapter will orientate the study relative to its Chinese backdrop, and demonstrate the importance of undertaking this study in China. Part Two will then identify what is currently known about internships, and highlight deficits in the current state of knowledge of relevance to this study. This chapter provides the impetus for the hypothesised model to be developed in Chapter 3 of this thesis.

2.1. The Chinese Internship Environment

A detailed discussion of the Chinese context is beyond the scope of this thesis, as this would require the discussion of three major competing and merging contextual forces; Confucianism, socialism, and capitalism (Baiyin, 2012). However, given that a majority of extant research of relevance to internships was developed within Western research contexts, which are acknowledged to possess distinct characteristics form the Chinese context of this study (Hofstede & Hofstede, 2005; Zhu, Cooper, Fan, & Cieri, 2013), it is necessary to frame this study relative to elements of China’s historical, cultural, and institutional backdrop, which have relevance to the evolution of internships in China, and which potentially shape their contemporary practice in China.

2.1.1. The Background of Internships in China

Confucian Heritage. China’s culture generally and particularly its educational philosophies are influenced by Confucianism (Baiyin, 2012; Redding, 1993). A manifestation of China’s Confucian-influenced educational heritage is an elitist education system, which clearly demarcates between skill-sets and occupations regarded as intellectual and those of a non-academic or vocational nature (Cooke, 2005). The goal of intellectual or academic education traditionally has been to produce individuals who possessed humanistic and moral superiority, rather than narrowly defined applied skill sets (Bodde, 1957). For instance, civil service examinations accessing broad intellectual ability have functioned as the primary
recruitment and selection method for public offices for more than 1300 years to today in China (Xu, 2011). By passing these academic exams, individuals demonstrate their general intellectual superiority as their qualification to rule and administer, rather than on the merits of any practical skill sets they possess relevant to a particular appointment (Hu, 1974). Under this Confucian influenced educational system, practical skills were historically regarded as being strictly the domain of lower status vocational training rather than academic university education (Djung, 1977).

The legacy of this educational system continues in contemporary China today where selection for white-collar positions, both public and private, requires gaining academic university degree qualifications. These degrees are largely achieved via passing a range of theoretical, often rote-learnt examinations, and are largely not regarded to be representative of an accumulation of practical skill sets directly related to a particular profession (Venter, 2002). Thus, university student internships represent a nexus between these two historically distinct forms of education in China, as internships fundamentally attempt to merge intellectual academic education with more applied work specific skill sets.

**Planned economy era.** In addition to China’s Confucian heritage, the legacy of the Mao Zedong planned economy era, is acknowledged to have implications for contemporary Chinese organisational phenomena (Baiyun, 2012; Hartmann, Feisel, & Schober, 2010; Lin, 2011). During this era from 1949 to 1978, university education was largely side-lined in favour of vocational education coupled with organisational-based learning as a means to apply Mao’s slogan of uniting theory with practice, or alternatively uniting classroom and production activities (Wang, 2005). During this era employee training was centrally regulated and designed by the state; thus workplace training also incorporated elements such as literacy and political ideology (Cooke, 2005). Employee education was conceptualised holistically, consisting of moral and political dimensions deemed necessary for national development, rather than narrow specialised job-related expertise (Liu, 2003), thus further reinforcing the Confucian-influenced demarcation between academic education and applied workplace skill sets.
Further compounding this demarcation, under the planned economy there was little incentive to increase employee productivity, leading to an institutionalised practice of de-coupling employee training and related skill sets from the strategic needs of organisations (Boisot & Child, 1996). Hence, especially in the state sector, employee training is often viewed as a bonus for senior employees (Child, 1994); or as a means of political or regulatory compliance (Shen & Edwards, 2006), rather than as a means to increase organisational performance. Furthermore, under the planned economy organisations were incentivised to maximise the quantity of their workforce rather than the quality (Boisot & Child, 1996), thus establishing an institutionalised practice of overstaffing in many Chinese organisations (Kgok, 2008). Consequently, Chinese internships have evolved from a background distinct from that of the West, which evolved from a market-based economic system. As a result, Western organisations are more likely to conceptualise internships as a means to enhance their stock of human capital’s work related skills and abilities linked to an organisation’s competitive advantage (Coff, 1997; Hall, 1993). These differing contextual backdrops potentially influence the application of theories associated with internships that have, largely developed within Western organisational contexts.

**Post-reform era.** China’s economic reforms since 1979 have culminated in the economic system which Lin (2011) refers to as ‘centrally managed capitalism’. Educational reforms have been a central component of China’s move to a more market-influenced economic system (Peng, 2000). This move necessitated dramatic changes in China’s higher education landscape, as during the Mao ZeDong era, a very limited number of university positions were available to elite students in Soviet-styled universities, who were assigned state sector jobs for life prior to graduation (Li & Zhang, 2010; Warner, 1999). In contemporary, China there is broad access to higher education, with China’s higher education sector in 2008 consisting of 2,263 institutions, with a combined enrolment of 27 million students (Chinese Ministry of Education, 2009). The expansion of higher education has produced a surge in university-qualified employees. In 2009 alone, 5.7 million students graduated from Chinese universities, including 48,658 PhDs, 322,615 masters and 5.3 million with undergraduate degrees (Chinese Ministry of Education, 2010). Hence, the empirical investigation of Chinese student interns represents a sizable segment of the Chinese workforce that has not been examined in any depth to date.
2.1.2. China’s Graduate Talent Market Paradox

Talent Market Deficits. In addition to the size of China’s university enrolment, China’s labour market conditions present a particularly relevant context in which to study the conversion of interns into regular employees. Despite the remarkable quantity of Chinese university graduates and graduate unemployment, organisations in China have difficulty recruiting the talent they require (Dickel & Watkins, 2008; Ma & Trigo, 2008; Manpower Group, 2012; Taylor 2007). The quality of university graduates is widely acknowledged as a key contributor to this talent deficit. A McKinsey & Company study estimated that China would graduate 15.7 million university graduates (excluding medical graduates) between 2003 and 2008; however, it was predicted that only 1.2 million of these graduates would be equipped with the required skill sets to adequately fill high-demand positions within multinational organisations in China (Farrell & Grant, 2005). Similar concerns have also been articulated by Chinese domestic organisations (Johnson & Weiss, 2008). Incompatibilities between the skill sets possessed by university graduates and the demands of contemporary organisations are not unique to China. However, given the pace of China’s economic development, this divide is becoming increasingly acute as organisations diversify away from low-cost manufacturing (Johnson & Weiss, 2008). Therefore, enhancing the effectiveness of organisational practices with the potential to counter current talent deficits is a prominent concern for organisations operating within China.

Quantity versus Quality. A contributing cause of talent deficits in China has been attributed to the Chinese university education system. Although the Chinese university system has made remarkable progress with regards to the quantity of graduates produced, the quality of these graduates has been widely criticised relative to organisational demands (Johnson & Weiss, 2008; Venter, 2002; Zeng & Williamson, 2007). Furthermore, this mismatch between graduate skill sets and contemporary business demands is evidenced in the inability of the labour market to absorb graduates, with increasing unemployment occurring amongst graduates (Hua, 2002; Jacobs, 2010; Yu Xin, Xueyi, & Peiling, 2009). Foreign-educated Chinese returning to China were once regarded as a means to address talent deficits, this however this contribution has not eventuated, given that the vast majority of these
students have sought employment outside of China after their graduation (Pan, 2011; Tung, 2008). Consequently, of the 1 million Chinese students who studied abroad from 1978 to 2006, only 30% returned to China, and for science and technology graduates, the estimates are as low as 10% (Tung, 2008) further compounding graduate skill set shortages amongst graduates in China.

Enhancing the employability of graduates. The inability of Chinese universities to produce a sufficient supply of graduates to meet contemporary organisational demands has been attributed to a number of factors. These factors include shortages of qualified teachers and the Confucian-influenced pedagogy and rote-learning examination system (Li & Zhang, 2010; Sun, 2004; Yang, 2007). In addition, there have been difficulties in transferring Western-developed university syllabus to the Chinese context (Berrell, Wrathall, & Wright, 2001; Li & Van Baalen, 2007; Li & Zhang, 2010). Furthermore, under the planned economy of Mao Zedong, universities were not required to produce skill sets linked to adding organisational productivity or competitive advantage (Venter, 2002; Warner, 2008). Hence, producing graduates to meet contemporary organisational demands in a market-based economy is a relatively new goal for the Chinese universities (Zhao & Du, 2012). As a result of these factors, Chinese universities are currently not regarded by organisations as being able to produce graduates which match their current demands, including practical problem solving skills, creativity, and the crucial ability of being able to apply learnt knowledge to real-world situations (Guo, Beatrice, & Heijden, 2008; Venter, 2002).

2.1.3. Internships in China

In recognition of the inability of Chinese universities’ to produce graduates with the required skill sets, the government has enacted a number of further educational reforms aimed at increasing the employability of graduates (Guo et al., 2008). Internships have been viewed by decision makers as a means of enhancing graduate employability, and are now incorporated into university curricula across majors, with the completion of internships a mandated requirement of degree graduation, for a majority of China’s graduates (Liu et al., 2010; Qiang, 1993; Wang, 2005). That said,
despite this widespread and expanding participation in internships, currently little is known about business internships within China.

**Demand for Interns.** The prevalence of internships in China today is not solely driven by the supply of interns from universities, as this supply is coupled with organisational demand for interns. For example, global industry leaders operating in China, including Microsoft (Chen & Hoskin, 2007), Google, (Buderi & Huang, 2006), DOW Chemicals, CISCO (Schmidt, 2011), IBM, PG, Motorola (Lane & Pollner, 2008), and leading domestic companies such as Haier, Huawei, and TCL (Schuler et al., 2011a), have all placed internships at the core of their efforts to recruit, develop and retain talented Chinese graduates. One internship program alone - IBM’s Blue Pathway program is currently offering 500 internship positions within China for 2013 (IBM, 2012). In addition, when undertaking a search using the key term ‘internship’ on the most popular job search sites in China, ChinaHR.com, and Zhaopin.com produces results indicating thousands of organisations of all sizes, across all industries, are currently offering internship positions in China.

The proliferation of internship positions offered in China can be partially attributed to their particular value for recruitment and selection in China’s competitive talent market. MNCs, domestic Chinese firms and state owned enterprises in China are increasingly competing for the same scarce talent (Lane & Pollner, 2008; Ma & Trigo, 2008) prompting the proliferation of reactive attraction and retention strategies, including the escalation of salaries and benefits coupled with employee poaching (Lane & Pollner, 2008). Consequently, those organisations with greater resources such as large SOEs and MNCs, have gained preferential access to the most desired graduate talent (Venter, 2002), dominating the list of the most desirable employers for new Chinese graduates (Yang, 2011a). Accordingly, well-resourced employers such as Google and Microsoft also offer the most desirable internship positions, further securing their access to a supply of China’s graduates from elite universities (Buderi & Huang, 2006).

China’s adversarial talent market conditions have prompted calls for more proactive organisational talent management strategies to counter current skill deficits (Lane & Pollner, 2008). Internships provide an ideal means for organisations in China to
proactively identify the future generations of organisational talent, by using internships to identify high-quality graduates. Organisations in China are known to regard graduation from an elite university as a signal of graduate quality, and weight university rank as a dominant selection criteria for new graduates (Hartog, SunY, & Ding, 2010; Li, Morganm, & Ding, 2008; Venter, 2002), to a greater degree than in the West (Lee, 2007). Thus, as mentioned previously, a small number of well-known and well-resourced organisations already have established preferential access to the small supply of graduates from China’s elite universities. Thus, internships provide a means to screen the potentially underutilised supply of graduates who have not yet graduated from prestigious universities for required talent pools.

**Internship Research in China.** Given the pervasive use of internships in China, coupled with graduate labour market conditions, China provides a context of particular practical relevance for the investigation of internships. To date the small amount of work focusing on internships in China has been purely descriptive in nature (Liu et al., 2010; Qiang, 1993), with two recent exceptions, which empirically substantiated casual claims relative to Chinese internships (Liu, 2012; Song & Chathoth, 2011). Western research contexts, mostly from the United States, dominate previous internship studies, which are summarised in Appendix 1 (e.g., Coco, 2000; Cook, Parker, & Pettijohn, 2004; D’Abate et al., 2009). Highlighting this notable gap in previous internship research, a recent review of papers published in the Asia-Pacific Journal of Cooperative Education (APJCE), the Asian regional outlet for internship research, revealed that only 4% of published papers were of Asian origin (Zegwaad, 2012). Accordingly, the investigation of internships within China is both of practical relevance to managers in China and of theoretical significance, as it advances internship research beyond its current Western boundaries.

### 2.2. The Current State of Internship Knowledge

#### 2.2.1. Internship Background

Internships are a form of experiential learning where students take an opportunity to apply theories from higher education to real-world situations, thereby providing an opportunity for them to integrate and consolidate thinking and action (Davies,
It is noted by D’Abate, Younkt and Wenzel (2009) that when the term “internship” is used, the level of structure and systematic integration with an intern’s academic learning is generally low. Whereas when the term “cooperative education” is used, it implies that there is a formal arrangement between the host organisation and the educational institution, with formal structures, which integrate academic study with work experience (Cooperative Education & Internship Association [CEIA], 2012).

The practice of internships is theoretically rooted in experiential learning theory which has its philosophical roots in the guild and apprenticeship system of medieval times (Seweitzer & King, 1999). The influential educator Dewey (1938) asserted that adequate training for occupations required actually performing the occupations themselves, allowing a process of active adaption by the learner, referred to as experiential learning. Dewey’s sentiments were echoed by his contemporary Whitehead (1929), who also believed that knowing and doing could not be separated. More recent manifestations of this line of thinking include situated learning, which suggests that recall of theoretical or abstract knowledge requires linkages with associated concepts, including real world application (Kenworthy-U’Ren & Peterson, 2005; McLellan, 1995). One of the most widely-known conceptualisations of experiential learning is Kolb’s (1984) cycle of experiential learning. Kolb’s cycle emphasises the symbiotic relationship between theoretical knowledge and practice, in a recursive process of concrete experience, reflection, abstract conceptualisation, and active experimentation. The experiential learning component of higher education curriculums is commonly referred to as “work-integrated learning”. This term encompasses a variety of experiential components of higher education curriculums, including field-work, cooperative education, practicum, industry-placement, student consultancy projects, and internships (Forde & Medows, 2011; Seweitzer & King, 1999).

**Internship Participation.** In the 1960’s the term “internship” was almost exclusively associated with medical students in the United States. By the 1980’s, internships were also undertaken by students studying for a variety of university majors, although participation generally remained low outside of a medicine (Perlin, 2012). However, over the last two decades internship participation has rapidly
increased, so that by the 2000s a majority of all university students in the United States completed internships as a component of their university education (Coco, 2000; Cook et al., 2004; Vault, 2000; Zawel, 2005). Thus, internships today in the United States are now regarded as a principle entry point into the workforce for a majority of the professional occupations (Perlin, 2012). Participation in internships is not isolated to just the United States, as the United Kingdom and Germany also have (Billet, 2010; Dessinger, 2006) established practices of integrating internship-type experiences into higher education. Currently in China a majority of university students participate in internships prior to graduation (Liu et al., 2010), whilst in other regions such as Australia, there are calls for increased student participation in internship programs across university disciplines (Billet, 2010; Universities Australia, 2007). Hence, based on current trends in internship participation, it is likely that interns will represent a growing proportion of organisational employees in the future.

2.2.2. The Intern's Perspective

Multiple stakeholders are involved in the internship process; consequently multiple perspectives can be adopted when investigating them. The dominant perspective taken in previous research has been that of the intern; whereby a majority of the extant literature focuses on outcomes for interns. Established benefits of internship participation include enhanced interpersonal communication (Beard & Morton, 1999; Beck & Halim, 2008), problem solving and critical thinking (Beck & Halim, 2008; Matthews & Zimmerman, 1999; Molseed, Alsup, & Voyles, 2003) leadership (Cook, Parker, & Pettijohn, 2000), written communication (Knemeyer & Murphy, 2002), improved self-evaluations (Pedro, 1984; Taylor, 1988), and job-related skills (Brumm, Hannemann, & Mickelson, 2006; Ciofalo, 1989; Eyler, 1995; Gault, Redington, & Schlager, 2000; Hymon-Parker, 1989; Hynie, Jensen, Johnny, Wedlock, & Phipps, 2011; Scholz, Steiner, & Hansmann, 2004). In addition, internship participation has also been linked to improved academic performance (Blair, Millea, & Hammer, 2004; English & Koeppen, 1993; Knechel & Snowball, 1987) and understanding of theoretical knowledge (Hynie et al., 2011; Mihail, 2006). This range of established developmental benefits for interns substantiates the effectiveness of internships as experiential learning experiences. However, as a
majority of these studies viewed internships as an educational experience, less attention in the literature has been given to how the developmental outcomes translate into benefits for the host organisation.

**Career benefits.** Given the range of developmental benefits gained from internship participation, former interns tend to have enhanced employability following graduation, evidenced by reduced job search time, enhanced desirability in the eyes of employers, accelerated career progression, and higher starting salaries (Coco, 2000; Gault et al., 2000; Sagen, Dallam, & Laverty, 2000). In addition to these tangible career benefits, former interns have also been shown to possess greater clarity in their career direction and more realistic job expectations (Beard & Morton, 1999; Callanan & Benzing, 2004; Cheung & Arnold, 2010; Perez, 2001; Wesley & Bickle, 2005), leading to higher levels of job and career satisfaction amongst former interns (Divine, Linrud, Miller, & Wilson, 2007; Taylor, 1988). Although these findings indicate that organisations value internship participation, these studies were conducted from an intern’s perspective. Thus, previous studies have largely focused on the former intern’s enhanced employability in the labour market generally, rather than linking them to their conversion to employment with the host organisation of their internship. This has been acknowledged as a notable deficiency in past internship work from a host organisation’s perspective (Hurst, Good, & Gardner, 2012).

### 2.2.3. The University’s Perspective

Universities are also stakeholders with regard to business students’ internships. Previous research has shown that university administrators and faculty across different disciplines concur regarding the importance of sustaining and developing their internship programs (Liu et al., 2010; Maskooki, Rama, & Raghunandan, 1998; Spinks & Wells, 1994; Weible & Virginia, 2010). The primary benefit of internships identified by universities is the aforementioned developmental and career benefits afforded to their students from internship participation. These benefits provide a means for universities to answer longstanding calls for them to produce more work-ready university graduates in fields such as business (Pfeffer & Fong, 2002; Starkey & Tempest, 2005). Thus, internships are viewed by universities as a means to bridge
the gap between graduates’ skill sets and contemporary organisational demands (Clark, 2003; Knouse, Tanner, & Harris, 1999). In addition, by enhancing the employability of a university’s graduates, internships also provide reputational benefits for the universities, assisting them in attracting and retaining new students (Gault et al., 2000; Toncar & Cudmore, 2000).

Furthermore, internships foster links between universities and the professional world (Cannon & Arnold, 1998; Meredith & Burkle, 2008), which may assist institutions in seeking funding for research and other activities (Gault et al., 2000; Henry, 2002). Academic supervisors can also benefit from internship participation, as they gain enhanced understanding of different corporate environments, and learn about the expectations of the companies hiring their students (Tovey, 2001). Internships also provide a potential channel for practitioner input into university curriculums (Thiel & Hartley, 1997).

2.2.4. The Host Organisation’s Perspective

The final major stakeholders in the internship process are the host organisations, as it is their participation, which provides the internship positions. The motivations for both interns and universities for participating in internships are well known, due to the established range of aforementioned benefits for these stakeholders. However, less is known about the specific benefits derived by host organisations from their participation in internships. What is known is that organisations do value internships. For example, a substantial proportion of Fortune 500 companies perceive the provision of internships as an important component of their human resource management strategy (Barr & McNeilly, 2002), and also the National Association of College Employers’ (NACE, 2012) annual survey of United States employers reveals a continued upward trend in the number of internship positions offered.

In part, organisations may have relatively altruistic motivations for providing internship positions. For instance Brooks and Greene (1998) suggest that organisations see internships as a means to give something back to students and the community, and demonstrate their commitment to generally improving the quality of a profession (Crumbley & Sumners, 1998). In addition, through the developmental
benefits provided to interns though internship participation, organisations are provided with a means to collectively improve the quality of their shared labour pool (Chonko, 1993; Starkey & Tempest, 2005). However, the primary motivations for organisations providing internship positions are likely to be related to more direct benefits derived by the host organisation. In the immediate term, internships provide a means to supplement an existing workforce with an inexpensive and usually highly motivated source of labour (Brightman, 1989; Coco, 2000; Watson, 1992), or as a cost-effective means to complete special projects (Brooks & Greene, 1998). In addition, internships can reduce both hiring and training costs (Nielsen & Porter, 1983; Pianko, 1996), whilst also providing a positive public relations exercise for the organisation (Pianko, 1996).

Arguably, the primary benefit of internships from an organisational perspective is their ability to attract, recruit and screen potential future employees (Beenen & Mrousseau, 2010; Gabris & Mitchell, 1989a). A substantial number of new employees are employed though their internship programs (Beenen & Mrousseau, 2010; Zhao & Liden, 2011). For instance, J.P Morgan and Goldman Sachs employed over 80% of their new employees in 2008 and 2009 though their internship programs (Gerdes, 2009) and Hewlett Packard has a tradition of employing approximately 70% of their new employees from their former intern pools (Watson, 1995). Moreover, a NACE (2011) survey of 266 employers indicated that an average of 39% of all entry level employers in the United States were former interns of their employing organisation. This evidence suggests that internships are being extensively used as a recruitment and selection process. However, beyond indicating the use of internships with regard to this function, there is a notable lack of research investigating the factors leading to the conversion of interns into employees with the host organisation.

### 2.2.5. Internship Criticisms

Although the literature regarding internships from the perspectives of interns, universities, and organisations is overwhelmingly favourable, there have been a number of criticisms of internships in the public press, post the financial crisis. These criticisms largely focus on the exploitation of interns as a cheap non-unionised
workforce, used for routine tasks which could be fulfilled by regular employees (Conlin, 2009; Lucas, 2012; Perlin, 2012). However, these claims have yet to be empirically substantiated by academic internship research. Thus, investigation into the conversion of interns into regular employees within the host organisation may partially address such criticisms regarding the exploitation of interns as a source of cheap labour, by re-framing internships as part of the employee recruitment and selection process.

2.2.6. Converting Interns into Regular Employees

That internships have become the preferred pathway into regular employment from a host organisations perspective is not surprising, given that organisations generally strive to attract, recruit, select, and retain talented employees. Hence, selecting the ‘right’ employees, is an essential component of organisational effectiveness and competitive advantage (Allen, Bryant, & Vardaman, 2010; Ma & Allen, 2009; Scullion, Collings, & Caligiuri, 2010), requiring the proactive identification and development of talented employees (Collings & Mellahi, 2009), and of tasks uniquely suited to internships, which allow these tasks to be performed prior to formal employment. Thus, many host organisations have are motivated to provide internship positions, as they desire to recruit and select future employees from the pool of interns (National Association of College and Employers (NACE), 2012).

Although little is known about the conversion of interns within the host organisation, previous work has indicated that internship participation enhances the desirable of former interns as employment candidates generally. For instance, internship participation has been shown to improve career advancement opportunities with any employer (Blair et al., 2004; Fuller, Marler, & Hester, 2006; Gault et al., 2000; Siegel, Blackwood, & Landy, 2010), vocational commitment (Brooks, Cornelius, Greenfield, & Joseph, 1995; Callanan & Benzing, 2004), organisational commitment (Dixon, Cunningham, Saga, Turner, & Kent, 2005; Liu, Xu, & Weitz, 2011), work preparation (Raymond & McNabb, 1993), increased person-organisation fit (Resick et al., 2007), higher job satisfaction (Knouse et al., 1999), increased job offer acceptance (Beenen & Mrousseau, 2010; National Association of College Employers (NACE), 2012a), and higher intern retention rates (National Association of Colleges
and Employers (NACE), 2004, 2005; Siegel et al., 2010). Thus, host organisations would rather capitalise on their investment in the intern by converting the intern to work in their organisation, rather than enhancing the employability of the intern in the job market generally. Furthermore, it has been estimated that internship programs can save an average of $15,000 per new hire at the entry level by avoiding the costs associated hiring of the wrong employees (Watson, 1995).

The aforementioned post-employment benefits of employing former interns are largely attributed to the provision of the experiential learning process during internships, which enhances the job-related skills of interns, whilst also providing them with a realistic picture of organisational life, clarifying their expectations and easing their transition into the workplace and chosen career (Gault et al., 2000; Liu et al., 2011; Taylor, 1988). However, the aforementioned post-employment benefits were primarily investigated from an intern’s perspective; thus previous research has investigated these benefits in relation to the intern’s general employability, rather than associated with conversion within the host organisation. The neglect of the host organisation outcomes in previous internship work can be attributed to the literature to-date predominantly conceptualising internships as a personal and career development experience for interns; hence little is known about the process by which interns are converted into regular employees with the host organisation following graduation. Consequently, the linkages between internship variables and host organisation recruitment and selection outcomes remain largely untested in the extant literature outside of a few recent exceptions (e.g., Beenen & Mrousseau, 2010; Hurst et al., 2012; Zhao & Liden, 2011).

Investigating the determinants of the conversion of interns into regular employees is particularly crucial given the nature of internships, allowing interns considerable discretion when deciding whether to convert to regular employment with the host organisation, as interns will at that stage not yet have made a formal commitment to their host organisation. Rather, internships are often used by interns as a non-committal way of sampling organisational life prior to making a long-term decision regarding their employment or career (Gault et al., 2000; Linn, Ferguson, & Egart, 2004). Thus, interns may be particularly sensitive to features of the internship experience when deciding whether to convert to regular employment with the host
organisation. Furthermore, the factors influencing an organisation’s desire to convert a particular intern into a regular employee are also unknown. Thus, this study aims to assist in addressing this deficit in the literature, by testing the prerequisite theoretical linkages required for enhancing the effectiveness of converting interns into regular employees.

2.2.7. Internship Theory

The extant internship literature provides a limited theory base on which to build theoretical linkages associated with the conversion of interns into regular employees. Numerous reviews of the internship literature have pointed out that the central deficiency in previous internship research has been the lack of any theory development or testing (Bartkus, 2007; Bartkus & Stull, 1997; Wilson, 1988). Rather, a majority of previous empirical work on internships has been largely descriptive in nature, for instance providing an overview of the internship experience (e.g., Eyler, 1995; Garavan & Murphy, 2001; Hymon-Parker, 1989; Hynie et al., 2011; Kim, Kim, & Bzullak, 2011), or describing the characteristics which contribute towards successful internships from an intern’s perspective (Daugherty, 2000; Hymon-Parker, 1989; Keating, 2012). Rather than developing theory within the context of internships.

The other major stream of internship research has used a comparative/experimentalist approach (or quasi-experimentalist approach) to investigate internships, by using participation in internships as the experiential treatment, contrasted with a control group of non-internship participants (e.g., Blair et al., 2004; English & Koeppen, 1993; Knouse et al., 1999). A full review of previous empirical internship studies is provided in Appendix 1 of this thesis. The contribution of these previous descriptive and quasi-experimental studies has been to identify a range of features and beneficial outcomes of internships, rather than developing and testing causal theories, aimed at contributing towards the enhancement of internship effectiveness.

There are a small number of exceptions in the internship literature, which develop and test causal theories of relevance to converting interns into regular employees.
Notably, three recent studies have investigated interns’ intentions to accept job offers as a dependent variable; Resick, Baltes and Shantz’s (2007) study found that interns who perceived there was person-organisation fit were more likely to accept job offers from their host organisation, Beenen and Mrousseau (2010) revealed that intern learning mediated the relationship between goal clarity and job acceptance intentions, and Zhao and Liden (2011) demonstrated that the host organisations’ openness to creativity increased interns’ job application intentions. Furthermore, two other studies investigated the antecedents of relevance to intern conversion, Liu et al. (2011) found that internship learning and mentoring were positively related to interns’ satisfaction and affective commitment, and D’Abate et al. (2009) revealed that the characteristics of internships, including job characteristics, learning opportunities, and supervisor support, contributed to internship satisfaction. This study aims to add to an emerging stream of literature by testing a number of additional, causal relationships, in order to develop predictive theory relating to the conversion of interns into regular employees.

**Wider organisational theories.** Previous internship research outlined in Appendix 1 provides a limited theoretical base from which this study can draw. However, the wider organisational literature provides an extensive range of theories developed in other employment contexts, which potentially generalise to internships. For example, theories relating to the process of newcomer employee adjustment to organisational life (Ashforth, Sluss, & Saks, 2007; Morrison, 1993) may be highly applicable to internships, as interns share characteristics with newcomers, such as experiencing uncertainty and limited information during organisational entry, or to previous research investigating characteristics of short-tenure employees (Jokisaari & Nurmi, 2009; Kammeyer-Mueller, Wanberg, Glomb, & Ahlburg, 2005). It is particularly notable that although previous internship research has highlighted the importance of the intern-supervisor relationship in determining internship outcomes, established mentoring or leadership theories have not been applied previously to the context of internships (e.g., Lam & Ching, 2007; Masumoto, 2004).

Testing the generalisability of established organisational theories to internships has the potential to also shape extant theory, as other non-regular employment contexts are known to have unique implications for organisational theories developed in
regular employment settings; for instance the context of temporary employment (Guest, Oakley, Clinton, & Budjanovcancin, 2006; Parker, Griffin, Sprigg, & Wall, 2002). However, due to the lack of empirical work extending theories developed in other employment contexts to internships, little is known about how contextual variables present within internships, which may influence established organisational theories. Such variables may include interns’ unique role expectations, as they are in transition between student and employee roles (Miller & Form, 1951; Ng & Feldman, 2007), the short duration of internships, which requires interns to learn and adapt to the workplace differently from regular employees (Jokisaari & Nurmi, 2009), or the predetermined conclusion of the internship, and hence the employment relationship (Zhao & Liden, 2011). Given that a vast majority of organisational theories remain untested to date within the context of internships, it is a potentially fertile ground for extending and/or evolving context-specific adaptations of extant organisational theory.

2.3. Summary

The present chapter situates this study relative to relevant aspects of the Chinese context and extant research on internships, by demonstrating that at the current juncture of China’s economic development. Given the current state of China’s university education system and talent market conditions, it is timely to investigate internships as a means for harvesting Chinese graduate talent, necessitating developing a better understanding of which factors contribute towards the conversion of interns into regular host organisation employees. However, previous internship researchers have largely neglected the host organisation outcomes, the development of causal theories, and the extension of existing organisational theories to the context of internships. Hence, little guidance is available from the extant literature regarding enhancing internships’ effectiveness in a recruitment and selection capacity. Therefore, the next chapter will detail the research design of the preliminary qualitative study used to identify theoretical constructs of relevance to intern conversion and the design of the main study testing the hypothesised linkages predicting intern conversion into regular employment with their host organisation.
Chapter 3. Research Methodology

This chapter details the research design of the main study, which used three waves of data collection from 303 intern-supervisor dyads to test the hypothesised model developed in Chapter 4, the chapter also details the design of the preliminary phase of this study used to develop this model. The chapter commences by outlining the philosophical assumptions underpinning the design of the study, before going on to outline the steps taken to mitigate a number of potential threats to its validity and reliability, including measurement error, sampling error, coverage error, non-response error, common method variance statistical control and detailing the analysis strategy applied in this study. The chapter also outlines the measures to be used in the study and the results of their pre-testing reported in order to establish both their semantic and conceptual equivalence within the research context of this study. Lastly, the chapter reports on the characteristics of the sample used for the main study, assessing it for representativeness relative to the target population of the study, as well as for the presence of non-response bias.

3.1. Research Philosophy

This study is underpinned by a number philosophical assumptions, which guide its research design. For those researchers operating in fields which Kuhn (1962) would define as “normal science”, there is often a high degree of consensus regarding the underlying assumptions, which guide their research design. For instance, researchers in the natural sciences largely align themselves with the singular research tradition of positivism; thus they design their research towards achieving the ideal of objectivity, usually via the control and manipulation of an external reality (Henning, Van Rensburg, & Smit, 2004).

In contrast, the scholarly field of management research is not characterised by a high degree of consensus regarding the application of singular methodological approach used to answer empirical questions of interest (Glick, Miller, & Cardinal, 2007; Johnson et al., 2007). Rather, in addition to the positivist paradigm, management researchers have a number of methodological paradigms to choose from to guide their research design, including phenomenological, (Collis & Hussey, 2003),
subjectivist (Hassard, 1995), and humanistic (Collis & Hussey, 2003). Therefore, it is a necessity for the broad methodological orientation of this study, to be identified, both epistemologically and ontologically.

This study is identified as broadly belonging to the positivist research tradition. Hence, the main research design is predominantly deductive and quantitative in nature (Ayala, 2009), seeking to empirically test a hypothesised model, generated largely in a hypothetico-deductive manner, drawn from the extant literature in Chapter 4 of this thesis, which was guided by a series of pilot interviews. In line with the positivist tradition, a pragmatic view of causation is applied in this study, meaning that the primary purpose is not to explore the underlying nature or the philosophical foundations of the phenomenon of interest (Pearl, 2000). Rather, the intent of this study is to empirically measure the causal effects of antecedents on managerial outcomes in this case intern conversion, in order to produce causal inferences (Antonakis et al., 2010). Which can be facilitated by a quantitative design, allowing for the production of statistical causal claims between the measurable variables within the hypothesised model (Antonakis et al., 2010).

Although the main study is situated within the positivist tradition, it should be noted that epistemologically, the researcher does not take the extreme objectivist view often associated with the positivist tradition (Guba & Lincoln, 1994). Rather, the researcher concurs with Bond’s (1997) assertion that a researcher’s inter-cultural experience is potentially an asset when conducting research in different cultural contexts. Thus, it is recognised that the researcher’s Western cultural origin, coupled with over seven years of experience living and working in China, has both consciously and subconsciously shaped the study.

Also, this study acknowledges increasing calls for a departure from applying a Western, predominantly positivist orientated research design when investigating potentially unique Chinese phenomena (Tsui, 2009), and calls for more inductive studies and the wider use of rigorous qualitative methods in the pursuit of contextualised Chinese management knowledge (Leung, 2007; Tsui, 2007; Tsui, 2009; Van de Ven & Jing, 2012). Hence, this study has two inductive and qualitative components. Firstly, the pilot interviews as detailed in section 3.3 of this chapter
insured the model’s constructs were verified from the participants’ perspective, and secondly the indigenous variable of “guanxi” is incorporated into the hypothesised model of this study. The pre-internship guanxi scale was developed for this study with the aid of inductive and qualitative techniques, given the techniques’ ability of these techniques to unearth potentially unseen contextual and cultural dimensions of a variable (Shapiro, Von Glinow, & Xiao, 2007; Teagarden & Von Glinow, 1997). However, as this study does not attempt to triangulate quantitative and qualitative findings when testing the hypothesised model, it is not classified as mixed-methods research (Greene et al., 1989; Johnson et al., 2007; Sandelowski, 2003).

3.2. Indigenous versus Universal Research

Traditionally, the ultimate objective of scientific research has been to develop generalised theories which could universally explain and predict the occurrence of events, independent of their context (Hempel, 1965). However, the applicability of this objective has long been challenged in the context of socially-based phenomena (Hickson, Hinings, McMillian, & Schwitter, 1974; Tsui, 2007). This objective has been particularly questioned relative to the Chinese research context, given the historical dominance of the West in developing contemporary management theory (Tsui, 2004; Van de Ven & Jing, 2012). Thus, it is necessary to identify the position of this research relative to the emic (indigenous) versus etic or (universal) research debates (Kim & Berry, 1993; Pike, 1967).

Given the rising prominence of China, as a management research context the long-standing indigenous versus universal research debate has recently been re-articulated relative to the Chinese management context. Terms include the degree of “context sensitivity” (Whetten, 2009), a “Chinese theory of management” vs. the “theory of Chinese management” (Barney & Zhang, 2009), an “inside out” approach vs. an “outside in” approach (Tsui, 2006), and the extent to which a study is context-emic (Jia, You, & Du, 2012). The umbrella term “indigenous research” can be used to describe research with a strong emic orientation (Leung, Li, Chen, & Luo, 2009). More concisely, Li (2011) defines research as indigenous when it incorporates at least one concept or variable that is unique to the local phenomenon. Indigenous research contrasts with the predominant form of management research conducted in
Western contexts, which largely ignore the national context from which the data was gathered.

This study does not adopt a strong indigenous approach in its research design, because a strongly inductive approach could prematurely disregard valuable insights provided from established and frequently Western-derived management theories. For instance, many established Western leadership theories such as Leader-Member Exchange have been found to be applicable in the Chinese context (e.g. Aryee & Chen, 2006; Wang, Law, Hackett, Wang, & Chen, 2005), whilst other findings demonstrate that leadership in China tends to possess unique dimensions, such as the indigenous Chinese/Asian theory of paternalistic leadership (Cheng, Chou, Wu, Huang, & Farh, 2004; Farh, Liang, Chou, & Cheng, 2008). These previous studies highlight the value of both indigenous and universal approaches to research in China. Consequently, this study is driven by a mixed etic-emic perspective advocated by Berry (1990).

Specifically, an integrative etic-emic position is achieved by following the established precedent of first firmly grounding the study in the mainstream of extant management theories, and subsequently testing the reach of these existing theories within the Chinese context (e.g., Chen, Tjosvold, & Liu, 2006; Li, Harris, Boswell, & Xie, 2011), whilst concurrently been open to theorising the potentially unique effects from within the boundaries of the Chinese context, thereby allowing the context to potentially reshape extant theories (Whetten, 1989). In addition, this study achieves a degree of indigenisation by incorporating the indigenous variable of guanxi into the hypothesised model.

3.3. Preliminary Study

This section outlines the research design of the preliminary qualitative phase of this research, preceding a detailed description of methodology concerning the main quantitative study in Section 3.4 of the present chapter. As stated previously, this is not a mixed-methods study; thus the preliminary study was utilised in a limited capacity to unearth and ensure the contextual relevance of the variables included in the hypothesised model prior to quantitative testing. Therefore, the aim of the
preliminary study was to identify contextually relevant factors that influences both the interns’ intention to convert to regular employment with their host organisations, and those, which influence the host organisations’ intention to convert the interns. The themes identified in this exploratory phase of the research were used to direct the subsequent literature review and hypothesis development, which is detailed in Chapter 4 of this thesis.

This preliminary qualitative phase of this research was required, given the dearth of existing theory developed, and tested within the context of internships, and particularly within China. According to Creswell (2009), a qualitative study is often used as an exploratory process, which is useful when not much is available regarding the population of inquiry. Thus, qualitative studies are often conducted as an initial exploratory stage of quantitative studies as in this study, in order to clarify the issues under analysis and identify any unexpected phenomena of relevance, prior to a quantitative study, again as is the case in this study (Shah & Corley, 2006). The qualitative phase of this research was not conducted from a strictly exploratory perspective, given that a body of potentially relevant wider organisational theory developed in non-internship employment contexts currently exists. Thus, the qualitative phase of this study was used to point to contextually relevant theories in the wider organisational literature supporting the subsequent process of deductive hypotheses generation, prior to the main quantitative study being conducted.

Semi-structured interviews were selected as the data-collection method for the preliminary study, given their utility in assisting with a full exploration of the topic, and with the identification of the key issues of contextual relevance (Rynes et al., 1991; Trochim, 2005). Primarily, semi-structured interviews allow the interviewer to add lines of inquiry as they emerge during the interviews (Bryman, 2000; Lee, Mitchell, & Sablynski, 1999; Myers & Newman, 2007). This allows a picture of the context to be built from the interviewees’ perspective (Creswell, 2009), whilst the researcher is concurrently able to make sense of, or interpret phenomena of interest, as themes emerge (Kvale, 1996) as is a requirement of this study.
3.3.1. Interview Sample

The sample for the interviews was collected purposefully, by selecting participants who had recently been involved in internships; as it was considered that such interviewees would be the most capable of providing insight into, and understanding of, the context of this research (Patton, 2003). This form of probabilistic sampling was appropriate for this preliminary study, as contextually-relevant insights into the phenomena of interest are of interest at this stage of the research, rather than statistical generalisability (Guest, Bunce, & Johnson, 2006). The sample consisted of 15 former interns who had recently completed internships of approximately three months in length, and 8 host organization representatives who had recently been involved in internship programs at their respective organisations. The sampling frame was provided by the careers office of a university located in the south-eastern Chinese province of Fujian, and the characteristics of the sample are detailed below in Table 3.1. Interviewees were first approached by e-mail, and once they had expressed interest in participating in the study, they were contacted by telephone to schedule the interview. Information regarding the interviewee and internship characteristics was also gathered via e-mail prior to the interview. In regards to sample size, the study followed the established practice in interview research which uses probabilistic samples, of discontinuing sampling when theoretical saturation occurs, and thus new conceptual categories cease to emerge from the interviews (Guest, Bunce, et al., 2006).
3.3.2. Interview Procedure

Twenty-three semi-structured interviews of 30 to 45 minutes in length were conducted, with both former interns and representatives of their host organisations. Intern interviews were conducted in an office on a university campus, and those with the host organisation’s representative were conducted on-site at the host organisation’s offices. The interviews loosely followed an interview guide consisting of open-ended questions, broadly prompting interviewees to discuss issues of relevance to the core research questions of this research (see Appendix 3). In addition, the interviewer also added sub-questions that were instigated by interviewees’ responses, to further explore issues of relevance to the objectives of this research as interviews progressed (Bryman, 2000; Lee et al., 1999; Myers & Newman, 2007). This approach to interview structure allows relevant issues to emerge from the perspective of the interviewees (Bryman, 2000; Patton, 1990), as

<table>
<thead>
<tr>
<th>Interns</th>
<th>Host Organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td><strong>Ownership</strong></td>
</tr>
<tr>
<td>Mean</td>
<td>State-Owned Enterprise 30.43%</td>
</tr>
<tr>
<td>SD</td>
<td>Domestic Privately Owned 39.13%</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>Foreign-Owned 17.39%</td>
</tr>
<tr>
<td>Male</td>
<td>Government Departments 13.04%</td>
</tr>
<tr>
<td>Female</td>
<td><strong>Industry</strong></td>
</tr>
<tr>
<td>40.00%</td>
<td>Manufacturing 13.04%</td>
</tr>
<tr>
<td>60.00%</td>
<td>Accounting 19.98%</td>
</tr>
<tr>
<td></td>
<td>Information Technology 8.69%</td>
</tr>
<tr>
<td>6.66%</td>
<td>Finance/Banking 21.73%</td>
</tr>
<tr>
<td>13.32%</td>
<td>Banking 13.32%</td>
</tr>
<tr>
<td>19.98%</td>
<td>Hospitality/Tourism 8.69%</td>
</tr>
<tr>
<td>13.32%</td>
<td>International Business 19.98%</td>
</tr>
<tr>
<td>6.66%</td>
<td>Civil Service 13.04%</td>
</tr>
<tr>
<td>19.98%</td>
<td>Marketing 13.32%</td>
</tr>
<tr>
<td>6.66%</td>
<td>International Trade 17.39%</td>
</tr>
<tr>
<td>19.98%</td>
<td>Business Management 6.66%</td>
</tr>
<tr>
<td></td>
<td>Retail 17.39%</td>
</tr>
<tr>
<td></td>
<td>Location</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Host Organisation Representatives</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td>Fujian 100%</td>
</tr>
<tr>
<td>Mean 33.45</td>
<td></td>
</tr>
<tr>
<td>S.D 7.35</td>
<td></td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male 62.5%</td>
<td></td>
</tr>
<tr>
<td>Female 37.5%</td>
<td></td>
</tr>
</tbody>
</table>

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Table 3.1
Preliminary Study Sample Characteristics

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required in the exploratory phase of this study. Furthermore, this approach allows the interview guide to be revised on an ongoing basis as the interviews proceed, in order to elicit more focused responses from participants and accommodate themes that emerge in the early stages of the data analysis (Kvale, 1996; Strauss & Corbin, 1990).

Prior to the interviews, all interviewees were provided with a letter explaining the purpose and nature of the interview, highlighting that their participation was voluntary and that they were able to withdraw at any time (see Appendix 2). During the interviews, the interviewer clarified the understanding of the responses by summarising and reiterating them. Interviews were digitally recorded when permission was granted for later transcription. For the non-recorded interviews, hand-written notes were taken during the interview using a form of shorthand. Immediately following the interviews, the interviewer typed up the interview notes and provided a summary of interview responses to the interviewees via e-mail, in order to allow interviewees to clarify their responses and add additional information if required. These member checks were performed as a means to validate interviewee responses (Bernard, 1994; Cutliffe & McKenna, 2004). An additional procedural issue of relevance to this research is the influence of language on interview outcomes (Cortazzi, Pilcher, & Jin, 2011). Previous research has identified both the advantages and disadvantages of using Chinese versus English. When interviewing Chinese subjects, for instance, the use of English has sometimes been found to enhance disclosure (Cortazzi et al., 2011; Durkin, 2004). This study will follow the precedent of previous research, allowing the interviewees to select their preferred language (Skyrme, 2007; Wang, 1999). Out of the interviewees, 12 of the 15 intern interviewees elected were interviewed in English, and 2 of the 8 host-organisation interviewees selected English as the interview language.

3.3.3. Analysis Procedure

Interpreting qualitative findings requires interpretive analysis rather than statistical analysis, which serves as the primary distinguishing feature between qualitative and quantitative data analysis. Thematic analysis was selected as the method of qualitative analysis used to interpret the data gathered from the interviews in this study, a method used for identifying, analyzing and reporting patterns and themes
that emerge within the data (Braun & Clarke, 2006). Thematic analysis is appropriate for this study, as the aim of the preliminary study was to unearth contextually relevant variables, whilst also identifying extant theory of relevance to intern conversion. This requires a degree of flexibility when performing analysis, which is facilitated by thematic analysis, and allows ongoing engagement with the literature throughout the analysis process (Boyatzis, 1998; Tuckett, 2005). Furthermore, although often presented in a linear, step-by-step procedure, thematic analysis is an iterative and reflexive process (Fereday & Muir-Cochrane, 2006), which thus allows the analysis in this study to move from the initial inductive identification of themes from the interviewee’s perspective, to a more theory-driven analysis when grouping and coding these themes, relative to existing theoretical constructs identified by ongoing literature review which was directed to by emerging themes in the interviews (Boyatzis, 1998; Coffey & Atkinson, 1996).

### 3.4. Main Study

This section turns to the main quantitative study in this research, and will detail the research design and analysis strategy used to test the hypothesised model developed with the aid of the preliminary qualitative phase of this study detailed in the directly preceding section.

#### 3.4.1. Research Design Overview

**Data Collection Method.** This study used self-administered paper and online questionnaires to gather matched dyadic data from both interns and supervisors, as this data collection method made it feasible to gather data from the relatively large sample required for quantitative analysis. Researchers have previously compared paper and online survey data collection methods and concluded that these methods produce consistent results (Potosky & Bobko, 2004; Thompson, Surface, Martin, & Sanders, 2003). However, in common with all data collection methods, the ability to generalise from the findings generated is dependent on the rigour employed in their design and application (Swanson, 1990). Thus, this study took a number of steps to mitigate potential threats to the validity and reliability of findings, including measurement error, sampling error, coverage error, and non-response error (Dillman, 2000), which will be outlined in detail in subsequent sections.
Common Method Variance. As this study uses a single method for data collection, its results are susceptible to Common Method Variance (CMV), “a variance that is attributed to the measurement method rather than to the constructs the measures represent” (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003, p. 879). In order to substantially reduce the risk of CMV, data was gathered for independent and dependent variables from different sources as recommended by (Podsakoff et al., 2003). The antecedent variables in the model were collected from the interns, whilst the dependent variables of In-Role Performance and Supervisors’ Intention to Convert were gathered from the immediate supervisor. The final dependent variable of Actual Conversion to employment with the Host Organisation was collected from both the interns and the host organisation supervisor and cross-referenced between both sources. Furthermore, this study follows the recommendation of Chang, Witteloostuijn, & Eden (2010), and has randomised the order of the items in the questionnaire, in order to avoid the clustering of items around the latent variable which they represent. The risk of CMV will be further reduced by establishing measurement validity, though performing Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) reported in Chapter 6 of this thesis, as recommended by Conway and Lance (2010).

However, the study is still at risk of CMV, as numerous variables are self-reported from the interns’ perspective. Thus, additional post-ad hoc analytical evidence is provided regarding the presence of common method bias; more specifically Hartman’s single factor test. Hartman’s single factor test will be conducted as a means of detecting CMV (Podsakoff et al., 2003) and reported in chapter 6 of this thesis. This test requires the examination of the un-rotated factor solutions generated from an EFA, performed on all of the items simultaneously. Podsakoff et al (2003) asserts that if substantial common method bias is present, a single factor will emerge, or a single ‘general’ factor will account for a majority of variance among variables. However, it is acknowledged that Harman’s single factor test has been shown to have insufficient sensitivity to enable the detection of moderate or small levels of common method variance (Kemery & William, 1986; Podsakoff et al., 2003).

Sample representativeness. A further potential threat to the validity of the study’s results is the non-representativeness of the sample, relative to the target population.
Coverage error is a threat to representativeness, which occurs when the sampling frame does not contain the target population of interest (Dillman, 2000). The design of this study has ensured that the risk of this error has been minimised, as a purposive sampling strategy was used (Churchill, 1999). This strategy was possible, as archival information was available from the three universities career offices, which provided the sampling frame, allowing the characteristics of the sampling frame to be matched to the target population, namely undergraduate student interns, within the Chinese universities’ business schools.

**Non-response bias.** A further source of potential error originating from sampling error is non-response bias. In order to alleviate concerns regarding the presence of this bias requires demonstrating that results from a non-perfect response rate would be consistent to that of a perfect response rate (Dooley & Lindner, 2003). Hence this study will compare the known characteristics of non-respondents with respondents’ characteristics, as recommended by Rogelberg et al., (2003). In the case of intern respondents, this was possible, as demographic archival information was provided on non-respondents by the careers office. In the case of the supervisory non-respondents, information was available from the matched intern’s responses, therefore allowing respondent and non-respondent groups to be contrasted in order to detect the presence of significant differences between respondent and non-respondent groups reported in section 3.4.7 of the present chapter.

**Statistical control.** A central goal of this study and many management studies is the ability to make causal inferences from their findings (Cook & Campbell, 1979). Thus, incorporation of control variables into a study is a necessary means of enhancing the ability of the study to make valid causal inferences (Becker, 2005; Pedhazur & Schmelkin, 1991; Vieira, 2011). The incorporation of control variables contributes to eliminating alternative explanations of the findings (Antic, Simmering, & Kroll, 2012; Becker, 2005; Breaugh, 2008a; Schmitt & Klimoski, 1991). Thus, a number of theoretically justified control variables were incorporated in the study, detailed in section 3.4.5 of the present chapter, and analysed in Chapter 6, relative to the results.
Multiple interval data collection. To further enhance the rigour of the research design, in addition to collecting the data from two sources, the data was also collected at three time intervals (Cook & Campbell, 1979). Recently the findings of single-time, single-source, and survey-based management studies have been criticised for not fully capturing the dynamic nature of organisational phenomenon (Aguinis, Pierce, Bosco, & Muslin, 2008; Ashkanasy, 2010; Kozlowski, 2009; Ployhart & Vandenberg, 2010). Although this study is not strictly longitudinal in design, the data was collected at three time intervals, from multiple sources. Time-1 data was collected from the intern eight weeks after the commencement of their internship. Time-2 data was collected in the final two weeks of the internship and was drawn from the intern’s immediate supervisor. Both Time-1 and Time-2 data was collected during rather than after the internships in order to reduce retrospective measurement error (Eisenhower, Mathiowetz, & Morganstein, 1991).

In addition, the sequence of data collection to be used in this study, summarised in figure 3.1, provides strengthened support for the hypothesised causal sequence in the model (Antonakis et al., 2010). Finally, Time-3 data was collected three months after the intern’s graduation from university. At this time, identical data was collected from both the intern and supervisor, allowing responses to be cross-referenced. Additionally, the collection of the same data from both sources at the Time-3 stage counters potential respondent attrition throughout the phases of the study, thus minimising the number of missing data cases (Ployhart & Vandenberg, 2010). Therefore, the collection of data in three waves from multiple sources increases confidence that internship phenomena under investigation have been accurately captured.
3.4.2. Procedures and Sampling Main Study

**Intern sampling frame.** The interns were recruited from a sampling frame provided by the careers offices of three universities located in the south-eastern province of Fujian in China. The sampling frame consisted of business school students in the final year of their four-year undergraduate degree program that had a mandated internship of approximately twelve weeks as a requirement of their degree program. At the time of recruitment, these students had registered their intention to commence internships with their respective careers offices, but had not yet commenced their internships. In addition to providing the sampling frame, the careers offices were able to provide secondary archival data, which included student identification numbers, student names, year of study, major, student university e-mail addresses, alternative e-mail addresses and/or QQ identification number (QQ is a Chinese
instant messaging and e-mail service). In addition, the students’ dormitory postal addresses were provided (all students in China are required to live on campus during the semester) and the start dates of their internships.

**Time-1 Data Collection.** The Time-1 data was collected eight weeks after the commencement of the internship. The interns were given the option of completing the online-based version of the questionnaire using Qualtrics online survey software, or, if they were currently residing on campus, they were delivered a paper-based version of the questionnaire. Previous research has found these two forms of data collection produce comparable results (Dwight & Fiegelson, 2000; Salgado & Moscoso, 2003). If no response was received, a reminder was sent after one week. The Time-1 questionnaire gathered data regarding the interns’ demographic characteristics, host organisation characteristics, and the general characteristics of the internships, in addition to measuring Pro-active Personality, Leader-Member Exchange, Learning Opportunities, Internship Satisfaction, and Pre-internship Guanxi. An incentive of an Australian souvenir of approximate retail value 5AUD was given for completed questionnaires, in order to establish a degree of reciprocity in the relationship (Cropanzano & Mitchell, 2005). Such incentivising of survey responses is common practice in organisational studies (Kulik, 2011).

**Supervisor sampling frame.** At time-one, interns were also asked to volunteer their direct supervisors’ contact details, and they were assured that their responses would remain confidential. At Time-1 data collection, 1019 surveys were distributed to interns, of which 506 interns provided valid responses. Interns intending to complete post-graduate degrees were not regarded as providing valid responses, as these cases would bias the Time-3 data collection regarding full-time employment after graduation. In total, the Time-1 response rate was 49.7%, with 465 respondents providing the contact details of their supervisors, establishing a supervisory sampling frame of 465 supervisors for the Time-2 data collection.

**Time-2 data collection.** The Time-2 data was collected in the final two weeks of the internship from the interns’ immediate supervisors. An e-mail was sent to each supervisor, containing an individually coded link using Qualtrics online survey software, which was subsequently matched to the interns’ responses in the
researcher’s database. If no response was received, a reminder email was sent after one week. During Time-2, data was gathered regarding the demographic characteristics of the supervisor, as well as the measure of the intern’s in-role performance, and intention to offer full-time employment to the intern. Respondents were guaranteed that their responses would be treated as confidential. In the supervisor’s questionnaire, the number of items was limited in order to enhance the supervisor response rates. Out of the 465 surveys distributed to supervisors at Time-2, 309 valid responses were returned, amounting to a response rate of 66.45%. This left the study with a data set of 309 intern-supervisor dyads, and a total combined sample of 618 respondents for the Time-3 data collection.

**Time-3 data collection.** At Time-3, data was collected three months after the interns had completed the final requirements for their university graduation, from both the interns and supervisors. A questionnaire was sent electronically to intern and supervisor members of the 309 intern-supervisor dyads. At Time-3, 278 interns and 262 supervisors provided responses, achieving response rates of 89% and 84% respectively. Responses were gathered from at least one of the sources for 305 of the intern-supervisor dyads at Time-2. Two dyads yielded conflicting intern versus supervisor responses, so these cases were deleted. Thus, the final dataset provided 303 intern-supervisor dyad responses consisting of 606 individual responses, on which subsequent analysis could be performed, to test the full-hypothesised model which is detailed in Chapter 6 of this thesis. All three stages of data collection and response rates are summarised in Table 3.2.
Table 3.2
Main Study Response Rates

<table>
<thead>
<tr>
<th>Time &amp; Source</th>
<th>Distributed</th>
<th>Completed</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time-one Intern</td>
<td>1019</td>
<td>506</td>
<td>49.65%</td>
</tr>
<tr>
<td>Time-2 Supervisor</td>
<td>465</td>
<td>309</td>
<td>66.45%</td>
</tr>
<tr>
<td>Time-3 Intern</td>
<td>309</td>
<td>278</td>
<td>89.96%</td>
</tr>
<tr>
<td>Supervisor</td>
<td>309</td>
<td>262</td>
<td>84.78%</td>
</tr>
</tbody>
</table>

Notes: Final valid intern-supervisor dyadic responses for all variables n = 303.
Total sample final sample n = 606
Time-1 (eight weeks after commencement of internship)
Time-2 (two prior to conclusion of internship)
Time-3 (three months after graduation)

3.4.3. Measures

The seven existing measures adapted for this study were adapted from frequently cited studies published in leading journals including Administrative Science Quarterly, Academy of Management Learning and Education, and the Journal of Applied Psychology. Five of these scales had previously been used in studies conducted in China. The current section outlines only the existing measures used in this study. The newly developed measure of Pre-internship Guanxi is discussed separately in Chapter 4 of this thesis. Initial minor modifications were made to the existing scales’ to ensure their relevance for internships, rather than the regular employment settings for which they were originally developed. The measures are briefly outlined below.

Proactive Personality will be measured using the six-item scale adapted by Parker (1998) from Bateman and Crant’s (1993) original scale. This reduced scale has previously shown strong correlations with the original 17-item scale (Claes, Beheydt, & Lemmens, 2005). Furthermore, the Li et al., (2010) study validated this scale with Chinese respondents. Sample items are, “If I see something I don’t like, I fix it” and “I excel at identifying opportunities”. Responses will be indicated on a Likert scale ranging from ‘1’ (strongly disagree) to ‘7’ (strongly agree).

Leader-Member Exchange (LMX) will measured using the seven-item scale adapted from Liden, Wayne, and Stilwell’s (1993) measure, which has also been validated
previously in the Chinese context by (Aryee & Chen, 2006; Hui, Lee, & Rousseau, 2004). Sample items are “My immediate supervisor understands my problems and needs”, and “How would you characterise your working relationship with your immediate supervisor?” Responses will be indicated on a Likert scale ranging from ‘1’ (strongly disagree) to ‘7’ (strongly agree) and ‘1’ (very negative) to ‘7’ (very positive).

**Learning Opportunities** will be measured using the three-item scale, adapted from D'Abate, Youndt, & Wenzel (2009), who used the scale in their internship study. Sample items are, "My internship taught me a lot of things that I would never have been able to learn in the classroom", and “My internship did not help me learn anything new”. Responses will be indicated on a seven point Likert scale, from ‘1’ (strongly disagree) to ‘7’ (strongly agree).

**In-role Performance** will be measured using a four-item scale adapted from Farh and Cheng’s (1999) scale, which was previously validated in the Chinese mainland context by Chen and Aryee (2007). The items were adapted to reflect internships by substituting ‘subordinate’ with ‘intern’. Sample items are, “This internee makes an important contribution to the overall performance of their work unit”, and “The performance of this intern always meets my expectations”. Responses will be indicated on a seven-point scale, from ‘1’ (strongly disagree) to ‘7’ (strongly agree).

**Intern Internship Satisfaction** will be measured using a three-item scale adapted from Hackman and Oldman’s (1975) General Job Satisfaction scale, which was previously validated in China by (Begley, Lee, Fang, & Jianfeng, 2002; Chen & Aryee, 2007). Additionally, these three items have previously been modified to reflect internship satisfaction by D'Abate, Youndt, & Wenzel (2009). Sample items are, “Generally speaking, I was very satisfied with my internship”, and “I frequently thought of quitting my internship”. Responses will be indicated on a seven-point Likert scale, from ‘1’ (strongly disagree) to ‘7’ (strongly agree).

**Intern Intention to convert** will be measured using a two-item scale intention to stay scale adapted from Tsui, Egan, & O'Reilly’s (1992) measure. The wording of the first item was modified to reflect internships. The first item is “I desire and intend to
remain at my internship company after I complete my internship.” Responses for this item are indicated on a seven-point Likert scale, from ‘1’ (strongly disagree) to ‘7’ (strongly agree). The second item was, “How long do you intend to continue working at your internship company after graduation, if you are offered a position?” The responses will be indicated on an interval scale ranging from ‘1’ (refuse job offer) to ‘7’ (the rest of my career).

Supervisor Intention to Convert will be measured by a single item developed for this study. The item for the internship questionnaire is, “If a position was available, would you offer this intern a full-time employment position with your organisation?” Responses will be indicated on a dichotomous scale, comprising of ‘No’ and ‘Yes’.

Actual Conversion will be measured by a single item developed for this study. The item for the item for interns is “Are you currently employed or soon to commence employment as a full-time employee at the host organisation of your internship?” and for the supervisors, “Is the (intern’s name) who previously completed an internship at your organisation, employed or soon to be employed, as a full-time employee at your organisation?” Interns’ and supervisors’ responses were indicated on a dichotomous scale, ‘No’ and ‘Yes’.

3.4.4. Measurement Validation

Back-translation. As the adapted source scales were originally constructed in English for non-Chinese research contexts, a number of steps were taken to establish the validity for these measures in the Chinese context. Firstly, back-translation was performed as recommended by Brislin (1981). This involved a bilingual translator conducting the first round of translation from English to Chinese, followed by a second bilingual translator, who had not seen the original English items, translating the items from Chinese back to English. The researcher compared these items to the original items, then moderated a focus group consisting of both translators, to resolve any discrepancies and to achieve consensus regarding the optimal Chinese translation.
Conceptual equivalence. The process of back-translation establishes the semantic equivalence of the items relative to the source scales. However, establishing conceptual equivalence is also required when transferring scales across cultural contexts (Farh, Cannella, & Lee, 2006). In order to ensure conceptual equivalence, the scales used in this study were pre-tested, followed by respondent de-briefs, in order to establish whether the items were representative of the source construct, relative to the context of this study (Farh et al., 2006).

Metric Equivalence. Consistent with the source scales, all responses were indicated on Likert-type or interval scales, the most widely-used formats for indicating attitudinal responses (Heine, Lehman, Peng, & Greenholtz, 2002). In this study, the number of interval points were standardised to seven, rather than five, to allow respondents to discriminate better between intervals (Tyrer, 1985, DeVellis, 2003; Malhotra, 2004). In addition, seven interval points also mitigates compressed response patterns (Harzing, 2009; Hui & Triandis, 1989), a response pattern which has previously been identified to be prevalent amongst Chinese respondents, who are known to have a central tendency in their responses (Fu & Tsui, 2003; Harzing, 2006; Roster, Albaum, & Rogers, 2006). However, the increase was limited to seven points, as increasing the response points beyond seven points has been found to be detrimental to the validity and reliability of a scale (Preston & Colman, 2000).

Metric equivalence in responses, such as scalar equivalence or response set bias, is potentially an additional concern for the transferability of measures across national contexts (England & Harpaz, 1983; Farh et al., 2006; Heine et al., 2002). This is because responses on interval scales are influenced by underlying cultural characteristics, such as social desirability, acquiescence, evasiveness or modesty (Vijier & Poortinga, 1982). For instance, modesty bias in responses has been found to be more prevalent amongst Chinese respondents than Western respondents (Farh & Cheng, 1997; Ralston, Gustafson, & Terpstra, 1995). Hence, pre-test respondent debriefs were utilised in order to detect issues related to metric equivalence in the responses patterns. Focus groups were chosen to supplement the pre-tests, as they are adept at capturing in-depth contextual details associated with a construct (Wolff, Knodel, & Sittitrai, 1993). Furthermore, Stening & Zhang (2007) found de-brief
focus groups to be of enhanced utility amongst Chinese respondents, as they allowed participants to distance themselves from their individual questionnaire responses.

3.4.4.1. Measure's Pre-test

Sample. The sampling frame was provided by the business school of a university located in the south-eastern province of Fujian in China. The sampling frame consisted of 125 senior year students who had recently completed internships, and who would not be included in the main study. Amongst these, 64 former interns provided valid responses, a response rate of 51%. From the contact details provided by the intern respondents, 24 supervisors also completed the pre-test questionnaire, a response rate of 38%. From the intern respondents, a convenience sample of 22 participants were recruited for the de-brief focus groups. In the focus groups, the content domain of latent variables was described to the participants, and items with problematic pre-test results were identified, prior to discussing the face validity of the questionnaire items. Next, alternative translations and wordings were generated for problematic items to resolve misinterpretations.

Analysis. Pre-test Results and Survey Modifications Cronbach’s alphas were calculated from the pre-test data in order to evaluate the internal reliability of the individual measures’, and bivariate correlations were also used as an indicator of discriminant validity between scales (Cortina, 1993; Hinkin, 1998). Also, individual items were screened for those that posed a large threat with respect to the internal reliability of their respective scales, as indicated by the individual item coefficient alphas (Bagozzi, Youjae, & Phillips, 1991). Section 3.7.1.2 of this chapter provides further details regarding the interpretation of these statistics.

The pre-test data revealed a number of items that posed threats to the internal reliability of their relevant scales. Weak individual item coefficient alphas were produced for item LO-3, “My Internship did not teach me anything new” \((\alpha = .26)\) and item INSAT-2, “I frequently thought of quitting my internship” \((\alpha = .31)\). Both of these items are negatively worded, and thus reverse scored. The debrief participants concurred that on the first reading of the Chinese version, these items could be interpreted as positively rather than negatively worded items. This finding is consistent with previous research regarding the different effect of negatively worded
items on East Asian samples relative to the Western samples (Iwata, Noburo, Roberts, & Kawakami, 1995; Meloni, Fiammetta, & Gana, 2001; Wong, Rindfleisch, & Burroughs, 2003). These differences are attributed to how negation or contradiction in used in East Asian languages (Bloom, 1981), and the prominence of holistic dialectic thinking in these cultures (Peng & Nisbett, 1999; Wong, Tinsley, Law, & Mobley, 2003). Consequently, all the negatively worded items in this study were reworded to a positive form.

An additional threat to metric equivalence was detected in the form of modesty bias, consistent with findings from previous studies using Chinese samples (Farh & Cheng, 1997). For instance, the item PAP-4, “I excel at identifying opportunities”, produced a low individual item coefficient alpha (α=.42). Debrief participants concurred that the translations of ‘excel’, should be translated to a lesser degree of excellence, to avoid modesty bias. Additionally, based on the results and debriefs, a number of minor modifications were made to the Chinese translation of items. Given the small sample size of the pre-test, further assessment of the psychometric properties of the measures in this study, including discriminant validity and factor analysis, will be conducted on the full-sized sample in Chapter 6. All the items used in the study are presented in Table 3.3.

### Table 3.3
Main Study: Adapted Scales and Items

<table>
<thead>
<tr>
<th>Proactive Personality (PAP)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP-1. If I see something I do not like, I fix it.</td>
<td></td>
</tr>
<tr>
<td>PAP-2. No matter the odds, if I believe in something I will make it happen.</td>
<td></td>
</tr>
<tr>
<td>PAP-3. I love being a champion for my ideas, even against others’ opposition.</td>
<td></td>
</tr>
<tr>
<td>PAP-4. I excel at identifying opportunities.</td>
<td></td>
</tr>
<tr>
<td>PAP-5. I am always looking for better ways to do things.</td>
<td></td>
</tr>
<tr>
<td>PAP-6. If I believe in an idea, no obstacle will prevent me from making it.</td>
<td></td>
</tr>
</tbody>
</table>

Source: six-item (Parker, 1998), full (Bateman & Crant, 1993)

<table>
<thead>
<tr>
<th>Leader Member Exchange (LMX)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX-1. My supervisor has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.</td>
<td></td>
</tr>
<tr>
<td>LMX-2. Regardless of how much power he/she has built into his/her position, my supervisor would be personally inclined to use his/her power to help me solve problems in my work.</td>
<td></td>
</tr>
<tr>
<td>LMX-3. I can count on my supervisor to “bail me out” even at his or her own expense when I really need it.</td>
<td></td>
</tr>
<tr>
<td>LMX-4. My supervisor understands my problems and needs.</td>
<td></td>
</tr>
</tbody>
</table>
LMX-5. My supervisor recognizes my potential.
LMX-6. I usually know where I stand with my supervisor.
LMX-7. How would you characterise your working relationship with your immediate supervisor?

Source: (Liden et al., 1993)

Learning Opportunities (LO)

LO-1. My internship provided me with a chance to learn a lot about the field, profession, or business.
LO-2. My internship taught me a lot of things that I would never have been able to learn in the classroom.
LO-3. My internship helped me learn many new things.

Source: (D’Abate et al., 2009)

In-Role Performance (IRP)

IRP-1. The internee made a significant contribution to the overall performance of their work unit.
IRP-2. The internee always completes job assignments on time.
IRP-3. The internee is one of the better newcomer employees I have supervised.
IRP-4. The intern’s performance always meets my expectations.

Source: (Farh & Cheng, 1999)

Internship Satisfaction (INSAT)

INSAT-1. I was very satisfied with my internship.
INSAT-2. I frequently thought of extending my internship time.
INSAT-3. I was generally satisfied with the kind of work I did during my internship.

Source: (Hackman & Oldman, 1975)

Intern Intention to Convert (INTCOV)

INTCOV-1. How long do you intend to continue working at your internship company after graduation, if you were offered a position?
INTCOV-2. I desire and intend to remain at my internship company in full-time employment after I complete my internship.

Source: (Tsui, Egan, & O’Reilly III, 1992)

Supervisor Intention to Convert (INTEMPL)

INTEMPL-1 If a position was available would you offer this intern a full-time employment position with your organisation?

New item

Actual Conversion (EMPL)

EMPL-1 Are you currently employed or soon to commence employment as full-time employee at the host organisation of your internship? (Intern)
EMPL-1. Is the (intern’s name) who previously completed an internship at your organisation, employed or soon to be employed, as full-time employee at your organisation? (Supervisor)

New items
3.4.5. Control variables

As outlined in Section 3.4.1 of this chapter, the inclusion of control variables increases the validity of the causal claims made by this study. However, unsubstantiated inclusion of control variables is not advisable (Antic et al., 2012; Breaugh, 2008a). For instance, the use of demographic variables as controls should be carefully considered, as demographics are often proxy variables (Breaugh, 2008a). Therefore, the inclusion of control variables must be justified by theoretical support (Becker, 2005), as the improper selection of control variables in a model may bias the results of a study (Spector & Brannick, 2010). Thus, the justifications for inclusion of the control variables in this study are outlined in the present section.

The demographic variable of gender was included as a control variable in this study, as D’Abate, Youndt and Wenzel (2009) found a relationship between gender and internship satisfaction. Gender has also been found to be related to task performance (Chen, Tsui, & Farh, 2002), perceptions of firm attractiveness (Williamson, Lepak, & King, 2003), and proactive behaviours (Kidder & Parks, 2001). Gender was controlled for, with a single item, “select your gender”, and responses were coded as ‘0’ = Male, ‘1’ = Female. The intern’s age was not included as a control variable, due to the relatively homogeneous age of interns (mean = 21.30, S.D = .42).

Both age and gender were of further relevance to the variable of LMX, as previous research has indicated that the quality of LMX may be influenced by convergence in the leader’s and the followers’ demographic characteristics (Bauer & Green, 1996). Following previous studies, intern-supervisor (dis)similarity was controlled for by operationalising age as an absolute difference score, and for gender by the use of dummy variables with ‘0’ = different gender and ‘1’ = same gender (Zhang, Wang, & Shi, 2012). Additionally, company tenure and dyad tenure has previously been shown to impact on Leader-Member Exchange (Wayne et al., 1997). However, tenure was not controlled for in the current study, as the length of the internships was standardised at under six months with a mean of 3.21 months (SD = .35).

The final control variable to be included was Payment, as it has previously been found to be related to job satisfaction, turnover intentions, and performance
(Heywood & Wei, 2006; Vandenberghe & Tremblay, 2008; Williams, McDaniel, & Nguyen, 2006). Payment was measured on a single item; “Select the payment you received for your internship per month”, and responses were indicated on a six-point response Likert-type scale: ‘1’ = (no payment), ‘2’ = (0-500 RMB), ‘3’ = (500-1000RMB), ‘4’ = (1000-1500RMB), ‘5’ = (1500-2000RMB), and ‘6’ = (over 2000 RMB).

3.4.6. Sample Characteristics Main Study

Intern and supervisor demographic characteristics. The final dyadic sample used for analysis comprised of 303 interns and; their demographic characteristics are presented in Table 3.4. of the intern respondents, 64.4 % were female, and the mean age was 21.43 years (SD = .63) at Time-1 of the study. The sample consisted of a diverse range of majors within the business school, including Accounting (16.4%), Finance (9.1%), Banking (26.9%), International Business (22.3%), Marketing (4.2%), Logistics Management (6.5%), Electronic Commerce (3.2%), Tourism Management (2.3%), and Business Management (9.1%). These percentages are largely representative of the business school enrolments at the universities included in the study, as over 50% of business school undergraduate students are female, and the Accounting, Finance and Banking majors attract the highest enrolments within the business schools. Of the 303 supervisory respondents in the final supervisor sample, 38.2% were female, and the mean age of the supervisory sample was 35.33 years (sd = 7.35).

Host organisation location. With regard to the host organisations in the sample, their locations were geographically clustered relative to China’s total land mass, as 91% of the internships were located in the coastal south-eastern province of Fujian. This clustering has implications for the generalisability of the findings, as sub-national regional differences within China have been found to impact on numerous organisational phenomena (Gamble & Tain, in press; Moore, 2005; Ralston, Yu, Wang, Terpstra, & He, 1996). These sub-national differences are predominantly classified relative to regional economic disparities within China (Gamble & Tain, in press; Koch & Koch, 2007; Ralston et al., 1996).
Fujian province belongs to the economically developed grouping of coastal provinces within China. This is clearly evident from a number of Fujian’s key economic indicators: a human development index of .81, versus a national average of .79 (United Nations Development Program, 2010); a marketisation index of 8.63, versus the national average of 6.52 (Wang, Fang, & Zhu, 2007); and a gross domestic product per-capita of $5,748 (USD), ranking it tenth amongst 31 administrative regions (National Bureau of Statistics China, 2010). The next four largest regional clusters in the sample were Guangdong, Zhejiang, Guangdong and Beijing, which also fall under the economically developed classification of Chinese regions (National Bureau of Statistics China, 2010). Given China’s aforementioned regional economic disparities, the findings of this study only generalise to other regions with comparative economic status. However, these regions represent a majority of China’s urban population, (National Bureau of Statistics China, 2010), and account for the vast majority of China’s economic activity and foreign direct investment (Sauvant, Zhao, & Huo, 2012). Hence, findings generalised to these regions are of relevance to both organisations and scholars.

**Host organisation ownership.** The host organisations in the sample represented a range of ownership structures: state owned (25.9%), domestic privately owned (54.7%), government departments (4.2%) foreign-owned (8.1%), and joint ventures (7.1%). These percentages are largely consistent with Fujian’s overall distribution of organisational ownership, with the exception of domestic, private ownership being over-represented in the sample, relative to foreign-owned and joint ventures (National Bureau of Statistics China, 2012). This over-representation can be explained by a feature of the Chinese political landscape, as Chinese governmental data and media report on Hong Kong, Macao, and Taiwan owned organisations as separate sub-classification of domestic ownership, which in Fujian represents 21% of total urban employment. Hence, it is plausible, because this sub-category was not included in, the questionnaire respondents placed these ownership types in the domestic category, inflating the domestic privately owned category relative to the foreign-owned category.

**Host organisation industry.** The host organisations in the sample also belonged to a range of industry sectors, including Manufacturing (13.6%), Information
Technology, (3.6%), Finance/Banking (29.7%), Hospitality/Tourism (14.2%), Civil Service (5.5%), International Trade (9.1%), Retail (3.6%), and Education (4.2%). The notable statistic, relative to government regional employment data, is the disproportionate amount of internships in the Finance and Banking sector (NBSC, 2010, Fujian Statistical Year Book 2011). However, this distribution can be explained by the large number of interns in the sample who were studying related majors, coupled with the rapid and disproportionate expansion of this sector over the past decade (China Banking and Regulatory Commission, 2010; China Banking Regulatory Commission, 2006; KPMG, 2010), which has led to a high demand for Finance and Banking professionals (Shen, 2010; Wang, 2008; Wei, 2011). Additionally, a disproportionate number of financial institutions rank amongst the most desirable employers for Chinese university graduates (Yang, 2011b), and are presumably also desirable internship providers.

**Internship characteristics.** Further, descriptive data was collected regarding other basic characteristics of the internships in the sample. A vast majority of interns reported that their internship positions were obtained through the use of guanxi, (at 77%), whereas only 11.3% of internships were reported to be part of a formal arrangement between the intern’s university and the host organisation. In regards to payment, 54.4% received some form of payment for their internships, with only 6.5% receiving a payment over 2000RMB per month, which approximates to an average monthly salary for a new university graduate (Han, 2010). The mean length of the internships was 3.21 months (sd = .35).
Table 3.4  
Main Study’s Sample Characteristics

<table>
<thead>
<tr>
<th>Intern’s Characteristics</th>
<th>Host Organisation’s Characteristics</th>
<th>Internship Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td><strong>Ownership</strong></td>
<td><strong>Length (months)</strong></td>
</tr>
<tr>
<td>Mean</td>
<td>State-Owned Enterprise 25.9%</td>
<td>Mean 3.21</td>
</tr>
<tr>
<td>SD</td>
<td>Domestic Privately Owned 54.7%</td>
<td>SD 0.35</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>Foreign-Owned 8.1%</td>
<td><strong>Payment (per-month)</strong></td>
</tr>
<tr>
<td>Male</td>
<td>Joint Ventures 7.1%</td>
<td>No Payment 46.6%</td>
</tr>
<tr>
<td>Female</td>
<td>Government Departments 4.2%</td>
<td>0-500 RMB 6.5%</td>
</tr>
<tr>
<td><strong>Major</strong></td>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td>Manufacturing 13.6%</td>
<td>500-1000 RMB 17.8%</td>
</tr>
<tr>
<td>Finance</td>
<td>Information Technology 3.6%</td>
<td>1000-1500 RMB 14.6%</td>
</tr>
<tr>
<td>Banking</td>
<td>Finance/Banking 29.7%</td>
<td>1500-2000 RMB 8.1%</td>
</tr>
<tr>
<td>International Business</td>
<td>Sales (non-retail) 16.7%</td>
<td>Over 2000 RMB 6.5%</td>
</tr>
<tr>
<td>Marketing</td>
<td>Hospitality/Tourism 14.2%</td>
<td><strong>University Arranged</strong></td>
</tr>
<tr>
<td>Logistics Management</td>
<td>Civil Service 5.5%</td>
<td>University 11.3%</td>
</tr>
<tr>
<td>Electronic Commerce</td>
<td>International Trade 9.1%</td>
<td>Non-university 88.7%</td>
</tr>
<tr>
<td>Tourism Management</td>
<td>Retail 3.6%</td>
<td>Obtaining Internship</td>
</tr>
<tr>
<td>Business Management</td>
<td>Education 4.2%</td>
<td>Guanxi used 77.0%</td>
</tr>
<tr>
<td><strong>Supervisor’s Characteristics</strong></td>
<td><strong>Location</strong></td>
<td>Guanxi not used 23.0%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td>Fujian 91.0%</td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>Guangdong 2.6%</td>
<td></td>
</tr>
<tr>
<td>S.D</td>
<td>Zhejiang 1.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>Jiangxi 1.6%</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>Beijing 1.0%</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>Other 2.0%</td>
<td></td>
</tr>
</tbody>
</table>
3.4.7. Non-Response Bias

The characteristics of the non-responding interns’ and supervisor groups’ were examined for potential non-response bias, revealing that there were 2.3% fewer females amongst the intern non-respondents although their mean ages were equivalent. The majors undertaken by the interns’ were consistent across these groups, with one exception, Banking, for which there were 4.3% fewer interns amongst the non-respondents. For the supervisory non-respondents, the proportions of ownership structures and industrial sectors of their organisations were equivalent, yielding differences of less than 2%. Intern responses also provided additional information regarding non-responding supervisor characteristics, in the form of the quality of LMX. Independent sample tests using Levene’s test for equality of variances in LMX between the responding and non-responding supervisors were performed to determine whether significant differences existed in the quality of LMX between the groups (Werner, Moira, & Kim, 2007). The results yielded (F = .019, p = .89), indicating an insignificant difference between these groups. In conclusion, non-response bias was not found to be present in the data set for this study, suggesting that intern and supervisor respondents and non-respondents can be regarded as equivalent for interpretive and analytical purposes in this study.

3.5. Ethics

All research conducted in this study meets the current Australian ethical standards required for research involving human participants, specified by the National Health and Medical Research Council’s (NHMRC) national statement of ethical conduct in human research. Thereby, this research ensured that informed consent was obtained from all participants, and the protection of the privacy and confidentiality of all data gathered. In addition, this research posed no risk to the subjects or other groups in the community.
3.6. Main Study Analysis Procedures

3.6.1. Analysis Strategy Overview

**Structural Equation Modelling (SEM).** This chapter will now move to discussing the strategy applied to the analysis of the data collected in this study. The overall analysis method selected for the main study is structural equation modelling (SEM), as SEM facilitates the simultaneous estimation of distinct yet interdependent direct relationships, as hypothesised in the model (Hair et al., 1998). SEM also allows the study to incorporate both observed and latent variables into a single model (Byrne, 2010; Chin, 1998). Furthermore, SEM is particularly well-suited to performing statistical mediation analysis (Iacobucci et al., 2007), as required for testing the mediated hypotheses in the study.

In addition to allowing the assessment of relationships between individual variables, SEM allows multiple interrelated relationships to be evaluated with one set of goodness-of-fit statistics, facilitating a more reflective picture of reality than provided by methods such as regression analysis (Cheng, 2001; Gefen et al., 2000). However, it is acknowledged that SEM, in common with all data-analytic methods, inevitably neglects elements of the reality which it is endeavouring to model (Wherry, 1975). Furthermore, any causal inferences generated from the study’s SEM must be made with the same cautionary notes, which accompany more traditional analytical methods such as correlation analysis (Cliff, 1983).

**Covariance-based SEM.** A covariance-based rather than a variance-based approach to SEM will be used, as the study is more confirmatory than exploratory in nature, and the validity of the measures was confirmed prior to SEM (Hair, Ringle, & Sarstedt, 2011). Therefore, Analysis of a Movement Structure (AMOS) version 20, covariance-based software, was used to perform the required Confirmatory Factor Analysis (CFA) and SEM. When performing SEM, ideally the analysis should be replicated with multiple samples, by randomly splitting the data between a validation and a calibration sample (Pedhazur & Schmelkin, 1991; Schumacker & Lomax, 2004). However, this is not feasible in this study, given that the final sample of 303 intern-supervisor dyads is insufficient for the required analysis if split in two.
**SEM approach.** Byrne (2010) asserts that in SEM analysis a number of broad approaches can be taken: (a) a strictly confirmatory approach, in which the research assesses the hypothesised model against the data in order to accept or reject the model; (b) an alternative-models approach, where the researcher selects a model, subsequent to comparing a number of alternative models; (c) an exploratory model-generating approach where models are tested and potentially rejected because of poor fit, and subsequently re-specified, and (d) the largely confirmatory approach of the current SEM used in this study, aiming to confirm the hypothesised model developed in Chapter 5 of this thesis. However, this approach will be supplemented with the assessment of alternative models, following the recommendations of Diamantopoulos and Siguaw (2000) and Hair et al., (1998).

**Two-step analysis.** The overall procedure used for data analysis followed the two steps recommended by Anderson and Gerbing (1988), with the first step accessing the measurement model and the second step accessing the structural model. Using these two steps is common practice in studies applying SEM (Edwards & Bagozzi, 2000), as the segregation of the study’s analysis into two separate stages prevents confounding the meaning of the variables, by simultaneously estimating the measurement and structural model (Burt, 1976).

**Measurement validation.** Given that the existing measures used are being applied in a different cultural and employment context to that in which they were originally developed, the additional steps of Exploratory Factor Analysis (EFA) and Reliability analysis were applied measures prior to CFA, as recommended by (Hinkin, 1998). EFA was used on conjunction with internal reliability analysis, as a means of measure purification, by identifying threats to the uni-dimensionality scales (Conway & Huffcutt, 2003). Once a degree of dimensionality was established via EFA, CFA was performed as a further indicator of the appropriate dimensionality of items within individual measures. CFA was also used to determine discriminant validity between the measures in the study (Anderson & Gerbing, 1988). Finally, further assessment of discriminate validity was performed, with nested chi-squared difference tests, between pairings of all the study’s latent variables, firstly constrained, and then un-constrained (Byrne, 2010).
Sampling Adequacy for Analysis. Determining the adequacy the sample size for the required analysis has important implications for the study’s statistical power, measurement error, and stability of its parameter estimates. There is a degree of disagreement regarding the minimum sample size required for factor analysis (Hinkin, 1998). However there is consensus that samples in excess of 300 respondents, as is the case in this study, are optimal for providing a stable factor solutions (Kass & Tinsley, 1979; Schumacker & Lomax, 2004; Tabachnick & Fidell, 2001). Sampling adequacy for factor analysis can also be determined by the ratio of participants to parameters; for this ratio recommendations range from 5:1 to 10:1 (Byrne, 2010; Kline, 2005; Schreiber, Stage, King, Nora, & Barlow, 2006). This study achieves a ratio of 9:1 at the more stringent end of this range. A final post ad-hoc assessment of this study’s statistical power, as recommended by Macullum, Browne and Sugawara, (1996), will also be conducted as a final check of this study’s sampling adequacy, which is reported in section 6.2.5of the thesis.

3.7. Data Screening

Normality. Another important consideration prior to performing statistical analysis is to establish the normality of the study’s data, as SEM is founded on the assumption of normality. Furthermore, covariance-based SEM, such as that used by AMOS, is particularly sensitive to non-normal data (Arbuckle, 2007). Therefore, this study’s data was examined via SPSS functions for fit between its distributions and assumptions of parametric data analysis. Each variable was examined separately, initially with histograms and box plots, screening for extreme outliers. Where detected, these outlying cases were deleted to prevent them biasing the mean and inflating the standard deviation (Field & Hole, 2003).

Additionally, a further investigation of the normality of the data was conducted, by calculating the statistics of skewness and kurtosis, as skewness impacts tests of means, and kurtosis affects tests of variances and covariances (DeCarlo, 1997). The calculations indicated that only the variable of learning opportunities was slightly negatively skewed. However, the skew was accompanied with an acceptable kurtosis of 3.26, below the recommended 3.29 threshold (Field, 2005). These results are not considered to indicate a large threat to normality, as an excessive kurtosis is
considered more problematic than skewness (Hair et al., 1998). The data collected in this study is considered normal, and thus its use as maximum-likelihood data for SEM analysis can be expected to produce reliable results (Byrne, 2010; Kline, 2005).

**Missing Data.** In regards to missing data, an expectation-maximisation algorithm was used to impute missing data (Schafer & Olsden, 1998) via the expectation-maximisation data replacement function in SPSS. This method has advantages over listwise or pairwise deletion for SEM, which may produce biased parameter estimates and inflated chi-square values (Peters & Enders, 2002). Furthermore, the expectation-maximisation method is an appropriate technique for this study, as the data is missing at random and the missing data comprised less than 5% of the total responses (Allison, 2003; Peters & Enders, 2002).

### 3.7.1. Step-One: Assessment of Measurement Model

#### 3.7.1.1. Exploratory Factor Analysis

**Extraction and rotation method.** A number of procedural decisions are required to be explicitly addressed prior to performing and interpreting factor analysis (Fabrigar, Wegener, MacCallum, & Strahan, 1999; Gorsuch, 1997). Firstly, prior to performing EFA, selection of an appropriate extraction method is required. For this study, Principal Components Analysis (PCA) was selected, which is an extraction method used for identifying linear combinations of items, accounting for the maximum variation possible (Iacobucci, 2001). Although strictly speaking PCA is not factor analysis, alternative methods such as Principal Factors Analysis (PFA) have been found to produce highly consistent results with PCA (Guadagnoli & Velicer, 1988).

Furthermore, PCA is suited to the two-stage process used in the current study, as it is recommended as a means of refining a set of items in a scale, prior to further validation with CFA (Gerbing & Anderson, 1988; Gorsuch, 1997; Hinkin, 1998). A second procedural decision in relation to EFA is the selection of an appropriate rotation method; an oblique rotation using direct oblimin was selected for this study. As there are theoretical grounds for predicting that factors in the current study’s hypothesised model will correlate, thus oblique rotation is advisable (Fabrigar et al., 1999; Field, 2005; Ford, MacCallum, & Tait, 1986).
Principal components analysis interpretation. Finally, procedural decisions are required regarding the interpretation of the PCA results, including which eigenvalues, to use for extraction. In this study, values greater than one were used for extraction, (Kaiser, 1960). For interpreting the total variance explained, an approximate target of 60% or above was used, which is a generally accepted norm in the social sciences (Hair et al., 1998). Regarding the criteria for judging the factor loadings as to be meaningful, a loading of .40 was used (Ford et al., 1986). Lastly, items which cross-loaded above .30 were regarded as lacking the required dimensionality for inclusion in their respective scales (Stevens, 1992).

3.7.1.2. Internal Reliability Analysis.

Following the EFA, an internal reliability coefficient of a Cronbach’s alpha was calculated. The calculation of a coefficient alpha is recommended for assessing the internal validity of a scale (Cortina, 1993; Hinkin, 1998; Hunter & Gerbing, 1982). An average scale reliability coefficient greater than .70 is indicative of strong inter-item covariance (Nunnally, 1978), which indicates that the items display an acceptable degree of uni-dimensionality within their relevant scale (Cortina, 1993). Additionally, those items which yield individual Cronbach’s alphas of less than .40 will be identified as threats to the uni-dimensionality of the scale of interest (Kim & Mueller, 1978).

3.7.1.3. Confirmatory Factor Analysis

Although EFA provides valuable insights into the dimensionality of the latent variables under investigation, it is insufficient to conclusively establish the appropriate dimensionality of a measure (Rubio, Weger, & Tebb, 2001). Therefore, CFA was also used to reinforce the results of the EFA and reliability assessment (Bagozzi et al., 1991). Additionally, CFA was used to evaluate the overall goodness-of-fit and the total measurement model, providing further evidence of validity of the measures in the current study (Byrne, 2010). However, prior to performing CFA, a number of procedural decisions are required, primarily related to the criteria used for accessing the models’ goodness-of-fit indices, as there is a lack of consensus regarding which absolute and incremental goodness-of-fit indices are optimal for
gauging model-fit (Hurley et al., 1997; Ping, 2004). The indices used in this study and associated fit criteria are presented in Table-3.3

**Absolute Fit Indices.** The chi-squared test ($\chi^2$) is amongst the most widely-used absolute fit indices (Bagozzi & Heatherton, 1994; Ping, 2004). It is used to measure the discrepancy between a hypothesised model and data (Bagozzi & Heatherton, 1994). The current study will follow Kline’s (2005) suggestion that, in order to be meaningful, the chi-square statistic should be reported together with its associated degrees of freedom and probability level (Kline, 2005). However the chi-squared test has been found to be sensitive to sample size (Bentler & Bonnet, 1980; Jöreskog & Sörbom, 1993). In order to counter this weakness Wheaton, Muthen, Alwin, and Summers (1977) suggest dividing the chi-square by its degrees of freedom ($\chi^2 / df$), with results less than 3.0 regarded as indicative of a good model fit (Kline, 2005). The chi-square statistic is of further utility when contrasting nested SEM models. Here chi-square difference tests will be used to determine if changes in the chi-square relative to changes in degrees of freedom were significant (Yuan & Bentler, 2004).

Another widely reported absolute fit indices is Root Mean Squared Error of Approximation (RMSEA) (Hurley et al., 1997; MacCallum & Austin, 2000). A RMSEA statistic in the range of .05 to .10 is considered to be indicative of acceptable fit, whilst values above .10 indicate poor fit (MacCallum, Browne, & Sugawara, 1996b). Generally values of .06 or below are considered representative of strong fit (Hu & Bentler, 1999). Historically, the absolute fit indices of Goodness-of-Fit Index (GFI) and Adjusted Goodness-of-Fit Index (AGFI) have also been reported; however due to their sensitivity to sample size, this study will not report these indices (Hurley et al., 1997; Miles & Shevlin, 1998). Rather the study will report the standardised root mean square residual (SRMR) as recommended by (Hu & Bentler, 1999; Kline, 2005). Values for the SRMR of less than .08 will be regarded as indicative of acceptable fit (Hu & Bentler, 1999; Schreiber et al., 2006), and values of less than .05 been reprehensive of strong model fit (Diamantopoulos & Siguaw, 2000).
Incremental Fit Indices. In addition to absolute fit indices, the reporting of incremental fit indices is also required, in order to evaluate model fit. McDonald and Ho (2002) in their review found that the most commonly reported incremental fit indices were the Comparative Fit Index (CFI), Normed Fit Index (NFI), and the Non-Normed Fit Index (NNFI)/Tucker Lewis Index (TLI). The Comparative Fit Index (CFI) is the least susceptible among these indices to the sample size (Byrne, 2010; Fan, Thompson, & Wang, 1999). Therefore, this study followed Hu and Bentler's recommendation and reports the CFI and TFI indices, with values above .95 indicative of strong fit, and values between .90 and .95 representing adequate fit (Bollen, 1989; Hu & Bentler, 1999).

Table 3.5
Summary of Goodness-of-fit Indices and Cut offs

<table>
<thead>
<tr>
<th>Indices</th>
<th>Abbrev</th>
<th>Fit Criteria</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normed Chi-square</td>
<td>x²/df</td>
<td>Upper threshold: 3.0</td>
<td>Kline, 2005</td>
</tr>
<tr>
<td>Comparative Fit Index</td>
<td>CFI</td>
<td>Acceptable: .90 - .95 Strong: &gt; .95</td>
<td>Bollen, 1989</td>
</tr>
<tr>
<td>Root Mean Square Error of</td>
<td>RMSEA</td>
<td>Acceptable: .05 - .10 Strong: &lt; .06</td>
<td>MacCallum, 1996</td>
</tr>
<tr>
<td>Approximation</td>
<td></td>
<td></td>
<td>Hu &amp; Bentler, 1999</td>
</tr>
<tr>
<td>Tucker Lewis, Non Normed Fit</td>
<td>TLI</td>
<td>Acceptable: .90 -.95 Strong: &gt; .95</td>
<td>Bollen, 1989</td>
</tr>
<tr>
<td>Index</td>
<td></td>
<td></td>
<td>Hu &amp; Bentler</td>
</tr>
<tr>
<td>Standardised Root Mean Square</td>
<td>SRMR</td>
<td>Acceptable: &lt; .08 Strong: &lt; .05</td>
<td>Schreiber, 2006</td>
</tr>
<tr>
<td>Residual</td>
<td></td>
<td></td>
<td>Diamantopoulos, 2000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Hu &amp; Bentler, 1999</td>
</tr>
</tbody>
</table>

3.7.2. Model Re-specification

Modification Indices and Standardised Residuals. In addition to producing goodness-of-fit indices, AMOS provides additional statistics of utility when assessing the measurement model. In particular, modification indices, standardised residuals, and item factor loading can identify potential threats to dimensionality of the measures, and thus can guide model re-specification. Amongst the most useful statistical calculations for detecting measurement model misspecification are the modification indices (Byrne, 2010; Gerbing & Anderson, 1988) and standardised residuals (Bagozzi et al., 1991). Items associated with modification indices exceeding 5.0 warrant further examination, for potential re-specification (Byrne, 2010; Gefen et al., 2000; Gerbing & Anderson, 1988), whilst standardised residuals
should be considered problematic if they are greater than 2.58 (Jöreskog & Sörbom, 1986). However, these outputs should only be used as guides, and should not dictate model re-specification (Hurley et al., 1997), thus substantive and/or empirical rationalisation must will also be in this study to support for model re-specification guided by these indices (Jöreskog & Sörbom, 1993).

**Factor loadings.** Assessment of the factor loadings of the individual items’ loading relative to their respective latent variables also indicates convergent validity between the items within a measure (Bagozzi et al., 1991). In first-order models, convergent validity amongst items will be supported if each of the items load onto their relevant latent variable at .50 or greater (Steenkamp & van Trijp, 1991). In a second order CFA, an additional requirement has to be accomplished for assessing convergent validity of items; that is the relationship between first order factors and second-order factors, must also load at .50 or greater (Benson & Bandalos, 1992).

### 3.7.2.1. Procedures, Discriminant Validity Assessment

In order to comprehensively validate a measurement model, assessment of discriminate validity is also required (Bagozzi & Phillips, 1982). Initial evidence of discriminate validity will be provided by investigating the bivariate correlations between the study’s latent, to ensure none exceed .70 (Ping, 2004). To further corroborate that the study’s items are capturing the intended latent variables, and to access discriminate validity, CFA will be conducted comparing the model fit of the study’s proposed seven-factor measurement model with five nested alternative models, in order to the determine their distinctiveness, as assessed by chi-square difference tests between the alternative models (Yuan & Bentler, 2004).

As a final analytical procedure will be applied to ensure discriminant validity, nested model comparisons were performed, creating separate models for all sets of paired variables in the model; one a constrained version, and the other an unconstrained version (Bollen, 1989; Byrne, 2010). The models were then contrasted using the sequential chi-squared difference test (Steiger, Shapiro, & Browne, 1985). The presence of significant differences between the two models provides further support for discriminate validity between the measures in this study (Byrne, 2010, Steiger, Shapiro, & Browne, 1985).
3.8. Step-Two: Assessment of the Structural Model

**Model Fit.** Assessment of the structural model will be performed in AMOS, using maximum likelihood parameter estimation, as the data was previously demonstrated to be distributed normally in section 6.2 (Kline, 2005). The overall model fit will be assessed by accessing the goodness-of-fit indices, relative to the fit criteria previously established in Table 6.1.

**Direct effects.** In order to assess if the data supported the thirteen direct hypothesised relationships in the model, firstly, path coefficients and their significance levels, as provided by related critical ratios, will be inspected (Diamantopoulos & Siguaw, 2000). Secondly, the squared multiple correlations of the study’s endogenous variables will also be examined in order to determine the portion of the variance explained by the hypothesised causal relationships (Byrne, 2010). All estimates reported in this study will be standardised in order to remain consistent with current practices in reporting SEM results (Schreiber et al., 2006). Furthermore, in the interests of parsimony, an alternative structural model will be estimated, with the insignificant paths removed as recommended by (Byrne, 2010; Diamantopoulos & Siguaw, 2000).

**Mediating effects.** In order to determine whether the mediated hypothesis are supported by the data, the four conditions of a mediated relationship will be established in the analysis (Baron & Kenny, 1986). These conditions are in the case of this research; (a) an intern’s proactive personality must be significantly related to the non-mediated outcomes; (b) an intern’s proactive personality must also be significantly related to the mediator LMX (c) LMX must be significantly related to outcomes and (d) after controlling for the LMX the direct effect of an intern’s proactive personality on outcomes becomes weaker or non-significant. To assess these conditions, the study will compare an alternative partially mediated model with the hypothesised fully mediated model, partially mediated model, and a non-mediated model as recommended by (Kelloway, 1998). The hypothesised mediated relationships will then be tested, by nesting this series of models, as recommended by Steiger et al., (1985), and using chi-squared difference tests, in order to contrast model fit (Hoyle, 1995).
To further corroborate the presence of the hypothesised mediated relationships, the bias-correlated bootstrap method will also be used, as recommended by Shrout and Bolger (2002). This method was selected over the alternative methods, such as Sobel’s (1982) large sample test, as bias-correlated bootstraps have been shown to have superior accuracy for determining the significance of the mediation effects (MacKinnon, Lockwood, & Williams, 2004), and because this method is gaining increased use in organisational studies (Kunze, Böhm, & Bruch, 2011). This study will follow the procedure recommended by Cheung and Lau (2008) using AMOS to produce 95% upper and lower limits of bootstrap-generated bias-corrected confidence intervals (CI) of indirect effects, conducted with a bootstrap of 1,000 replications.

3.9. Summary

In this chapter, the study was situated within the positivist research tradition, and its deductive and quantitative research design outlined. The empirical testing of the hypothesised model consisted of the collection of data from 303 intern-supervisor dyads at multiple time intervals. Given the context of the study, the steps taken to ensure the semantic, conceptual, and metric equivalence of the measures were also detailed, and the representativeness of the sample was evidenced. Additional elements of research design, which mitigated threats to the validity of the study, such as statistical control and common method variance, were also addressed. Finally, the strategy for the analysis of the main study’s data set was detailed. The rigour of this study’s design and strategy for analysis demonstrated in this chapter provides a greater confidence in the results of the main study, reported in Chapter 6 of the thesis.
Chapter 4. Development of Hypothesised Model

The literature reviewed in Chapter 2 identified the dearth of extant literature, related to the testing or development of theory within the organisational context of internships. This is particularly, apparent from the perspective of converting interns into employees with the host organisation. Thus, Chapter 3 outlined the need for a preliminary qualitative study to establish the contextual relevance of variables to be included in the subsequent main quantitative study. Chapter 4 will first outline the results of the preliminary study combined with relevant literature, and then the chapter will proceed to develop the 18 hypotheses to be tested in the main quantitative study.

4.1. Preliminary Study: Results and Discussion

This section identifies the variables for inclusion in the main study, which arose from themes identified amongst interview responses in the preliminary study. These results are reported together with the relevant literature, as there was ongoing engagement with the literature throughout analysis (Boyatzis, 1998; Tuckett, 2005). Furthermore, this section will also provide representative interviewee quotes associated with each of the emerging themes in order to demonstrate clearly how interpretations of the data have been achieved (Patton, 2002; Rice & Ezzy, 1999), and to ensure the interviewees reflections are conveyed in their own words, thus strengthening the face validity and credibility of the analysis performed (Patton, 2002).

4.1.1. Intern Personalities

The interviews revealed that a key influence on internship outcomes was the variability between individual intern’s dispositions or personalities, a sentiment that was captured by a sample of both supervisor and intern interviewee statements below.

“Every intern is quite different; some interns are very good, others are not so good.”
[Host organisation 3]
“I think the intern’s personality is the most important factor, as all interns lack experience and knowledge related to the job.” [Host organisation 6]

“Just as with all employees there is a big difference between interns’ individual characteristics; therefore each internship also has quite different outcomes.” [Host organisation 1]

“I think whether the internship is useful or not depends on the intern’s attitude, as there is always something to learn if you want to.” [Intern 2]

“I think it depends on the intern. If you start your internship thinking that it will be a waste of time, of course it will not be a very successful internship for you.” [Intern 14]

**Employee dispositions.** Previous research corroborates the findings from the pilot interviews, as individual employee dispositions have long been acknowledged to play a central role in predicting workplace outcomes (Judge & Larsen, 2001; Locke, 1976; Staw & Ross, 1985). Including job performance, job satisfaction, motivation, and career success (Brown, Cober, Kane, Levy, & Shalhoop, 2006; Herold, Davies, Fedor, & Parsons, 2002; Hurtz & Donovan 2000; Ng, Eby, Sorensen, & Feldman, 2005; Tett, Jackson, & Rothstein, 1991). Additionally, employees’ personalities are regarded as particularly important when making personnel-related decisions, as they are known to be a relatively enduring determinant of employee behaviour across time and contexts (Illies & Judge, 2003; Staw, Bell, & Clausen, 1986). Hence, it is reasonable to assume that intern personality will play an influential role in influencing internship outcomes.

**Personality and employee selection.** Given the established links between employee dispositions and workplace outcomes, personality tests have been widely used as a selection method (Heller, 2005; Rothstein & Goffin, 2006; Ryan & Sackett, 1987). The predictive validity of these tests has been substantiated by meta-analytic studies (Barrick & Mount, 1991; Judge & Bono, 2001). However, their predictive validity relative to some post-employment behaviours such as job performance has been questioned (Guion & Gottier, 1965; Locke & Hulin, 1962; Morgeson et al., 2007).
These criticisms are, however, not centred on the predictive validity of the dispositions themselves, but rather on the predictive validity of personality tests, since within a selection context personality tests are susceptible to faking, as the candidate may endeavour to reveal dispositions which they believe are desired by the employer (Rosse, Stecher, Miller, & Levin, 1998; White, Young, Hunter, & Rumsey, 2008).

**Intern dispositions.** Despite the extensive body of literature asserting the importance of employee dispositions relative to workplace outcomes and employee selection, they have not previously been investigated within internships. Therefore, little is known about how the context of internships may shape the outcomes of intern personalities. This is a notable deficiency in the literature, given that intern dispositions are likely to be a key factor predicting a range of internship and post-internship outcomes. In addition, internships provide a selection context in which future employee’s personalities can potentially be more accurately evaluated prior to selection. However, such evaluation first necessitates a better understanding of how particular personality dispositions manifest themselves within the context of internships.

**4.1.2. Intern Proactive Personality**

There are a range of intern personality types, which have potentially differing impacts on internship outcomes. Therefore, additional probing questions were asked to help identify which intern personality characteristics were viewed as particularly influential within the context of internships. Responses revealed that an intern’s proactive behaviours were regarded as having a particular impact on internship outcomes, as illustrated in the following statements:

“Some interns I have supervised require high levels of instruction from me even regarding very simple tasks, and wait to be told what to do; these interns are a burden to me and provide little of value to the organisation.” [Host organisation 4]
“Some interns are very passionate and actively asked for more work, and found answers to questions by themselves from other workers; I would like to hire such interns.” [Host organisation 6]

“I was often waiting around doing nothing surfing the Internet, nobody told me what to do, and the internship was a waste of time.” [Intern 8]

“I sometimes had free time when I finished my work, so I asked if I could help other workers do their jobs, so I learnt many things.” [Intern 2]

**Proactive employees.** These statements highlight the importance of an intern’s role in actively shaping their own internship experience, which is consistent with employee proactive behaviours. A proactive personality is defined as the behavioural tendency of an employee to take action to influence their environment, by taking an active rather than passive approach towards their work (Bateman & Crant, 1993). This disposition aligned theoretically with the premise that the environment is jointly shaped by both the person influencing the situation and the situation influencing the person (Bowers, 1973), suggesting that employees exert influence over the organisational settings they inhabit (Bateman & Crant, 1993). Employee proactive personality has widely been used as an antecedent of proactive behaviours in the workplace (Bateman & Crant, 1993; Converse, Pathak, Depaul-Haddock, Gotlib, & Merbedone, 2012). Thus, it is known that employees with proactive personalities behave more confidently, and actively work to control their environment (Bateman & Crant, 1993; Crant, 2000). Although the proactive personalities of interns have not been previously investigated, Liu, Xu, and Weitz’s (2011) recent study indicates that interns do take an active rather than a passive role in shaping their internship experiences.

Intern proactive personality is an important variable to investigate within the employment setting of internships. There is an expanding body of literature indicating the critical role employee proactive personalities play in determining both individual and organisational success (Crant, 2000; Parker, Bindl, & Strauss, 2010a; Seibert, Kraimer, & Crant, 2001). Specifically, employees’ proactive dispositions have been empirically linked to a range of desirable outcomes, including career
success (Converse et al., 2012; Van Scotter, Motowidlo, & Cross, 2000), job performance (Crant, 1995; Thompson, 2005), employee innovation, and creativity (Parker, Williams, & Turner, 2006), entrepreneurship (Becherer & Maurer, 1999), job satisfaction and career satisfaction (Ng et al., 2005), feedback seeking behaviour (Ashford & Tsui, 1991) and employee learning (Fuller & Marler, 2009). Such outcomes are also presumably desired from interns as future employees.

**Proactive interns.** Although intern proactive personalities or behaviours have not previously been studied, interns can be presumed in common with regular organisational newcomers to be undergoing a process of adjustment during internships, and thus like newcomers they will seek to reduce uncertainty during this process (Berger, 1979; Reichers, 1987). Suggesting the applicability of proactive personality theory to internships, as there is an established link between newcomer proactive personalities and effective workplace adjustment (Finkelstein, Kulas, & Dages, 2003; Kammeyer-Mueller & Wanberg, 2003). Newcomers who take an active rather than passive approach toward their new work roles experience a smoother adjustment period and more positive personal outcomes (Kammeyer-Mueller & Wanberg, 2003; Li et al., 2011; Morrison & Phelps, 1999). In addition, newcomers who proactively seek information regarding their jobs achieve greater task mastery, knowledge acquisition, role clarity and social integration (Ashforth et al., 2007; Morrison & Phelps, 1999). As newcomers such as interns enter the host organisation with limited information and experience, their proactive personalities can also be expected to play a crucial role in determining internship outcomes.

**Proactive dispositions and context.** The extension of proactive personalities’ established outcomes to internships cannot be assumed, as employee proactive personalities are not immune from the impact of contextual factors. For instance, in Fuller and Marler’s (2009) review of proactive personality research, they found that the causal relationship between proactive personality and performance is impacted by variability in occupations and settings, whilst Tett and Burnett (2003) also highlighted the impact of changes in employment situations, jobs, employers and occupations on outcomes derived for employee proactive personalities, leading to calls to investigate the boundary conditions which may shape the effects associated with proactive personalities (Erdogan & Enders, 2007; Fuller et al., 2006). Thus,
investigating the outcomes of intern proactive personality within the relatively unique employment setting of internships contributes to this discussion.

**Selecting proactive employees.** Based on the aforementioned range of beneficial workplace outcomes associated with proactive dispositions, proactivity is increasingly becoming a core employee qualification for many jobs (Erdogan & Bauer, 2005; Parker et al., 2010a), as in a contemporary rapidly changing organisational environment, the ability of employees to proactively adapt, identify opportunities, and anticipate problems, is widely regarded as key to organisational competitive advantage (Fugate, Kinicki, & Ashforth, 2004; Grant & Ashforth, 2008; Parker & Collins, 2010). Accordingly, proactive dispositions have become a key employee selection criteria (Li et al., 2010). Thus, providing insights into the manifestations of intern proactive personalities during internships contributes to building internships into an effective method of selecting future proactive employees.

**Proactivity in China.** In addition to the organisational context of internships, the Chinese context may also exert influence on the outcomes of intern proactive personalities. Much of the previous employee proactive personality research has been conducted in Western research contexts. This previous research is largely founded on the presumption that proactive employees will be self-assertive, and perceive seniors as approachable. However, this presumption may not hold in China, as Hofstede (1991) found China to be high in the dimension of power distance relative to the West, indicating that Chinese employees and managers accept that power will be distributed unevenly. Thus, within the Chinese organisational context, the dynamics of how organisational members interact is strongly influenced by their relative position in the organisational hierarchy (Adler, 2001; Child & Warner, 2003; Hofstede, 1988). This is of particular relevance to internships, as interns will possess a very low position in the organisational hierarchy. Therefore, the Chinese culturally-prescribed norm for an intern is to take a passive and unquestioning role in their relationships with their seniors (Hofstede, 1991). This norm is counter to behaviours expected of employees with proactive personalities, whom are expected to actively seek information and possibly question their seniors (Chen et al., 2002). Thus, questions remain unanswered regarding how proactive personalities of junior organisational members such as interns will manifest themselves in China.
4.1.3. The Intern-supervisor relationship

It was clear from the intern's pilot interview responses that they largely perceived their internship experience through their interactions with their immediate supervisors, as illustrated in the statements below:

“Some of my friends had really good supervisors during their internships, who spent a lot of time to teach them about the job, so they had a much better internship than me.” [Intern 5]

“I had a good relationship with my supervisor, so I was therefore satisfied with my internship experience.” [Intern 4]

“I developed a close relationship with my supervisor during my internship, so he taught me a lot of interesting things about the company.” [Intern 7]

“My supervisor did not help me much, and just told me to go and look around by myself, so I did not learn much in my internship.” [Intern 15]

“My supervisor was not interested in having a relationship with me; generally the only thing they told me to do was make tea or photocopy.” [Intern 2]

“It seemed like my supervisors trusted me, they shared a lot of information with me, and let me try my new tasks, so I was able to learn a lot of things during my internship.” [Intern 17]

The supervisor-intern relationship. The pilot interviews highlight the impact of the intern-supervisor relationship on internship outcomes. This sentiment is consistent with previous internship research identifying the focal role of supervisors in the internship experience (e.g., Callanan & Benzing, 2004; Feldman, Folks, & Turnley, 1999; Lam & Ching, 2007; Masumoto, 2004). The presence of mentoring-type relationships between the supervisor and intern during internships have been linked to numerous outcomes, including job offers (Feldman et al., 1999), learning and satisfaction (Benson, Finegold, & Mohrman, 2004), job performance (Bowler &
Brass, 2006; Feldman et al., 1999), career success (Turban & Dougherty, 1994), and reduced internship withdrawal (Keating, 2012).

However, the majority of previous work highlighting the centrality of the intern-supervisor relationship has been descriptive and from an intern’s perspective. Hence there have only been a small number of studies which have investigated the role of particular characteristics of the intern-supervisor relationship; for instance the level of autonomy given to the intern (Beenen & Mrousseau, 2010), the provision of feedback (Masumoto, 2004), and impression management (Zhao & Liden, 2011). To date little attention has been given to investigating the quality of the intern-supervisor relationship, the antecedents or outcomes, of high-quality intern-supervisor relationships.

**Leader Member Exchange (LMX).** The quality of employee-supervisor relationships have been extensively examined in organisational settings other than internships via Leader Member Exchange (LMX) (Howell & Hall-Merenda, 1999; Loi, Mao, & Ngo, 2009; Sin, Nahrgang, & Morgeson, 2009). LMX is theoretically rooted in both social exchange theory (Blau, 1964; Cropanzano & Mitchell, 2005) and role theory (Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964). Thus, LMX theory proposes the employee-supervisor dyadic relationship is developed over time during a series of exchanges between the follower and leader, incorporating reciprocity, role taking and role making during their interactions (Bauer & Green, 1996; Graen & Scandura, 1987). This exchange process results in supervisors developing unique relationships with each of their employees. This theory is of particular relevance to internships, as the initial dyadic exchanges between leader-follower, are known have a formative effect on the subsequent quality of LMX (Dienesch & Liden, 1986; Graen & Scandura, 1987). Thus, the quality of LMX developed during the initial period of employment in this case internships, can be expected to have implications for the conversion of interns into regular employees.

**High-quality LMX.** High-quality employee-supervisor LMX relationships are characterised by mutual trust, respect, influence, and obligation (Graen & Uhl-Bien, 1995; Liden, Sparrowe, & Wayne, 1997). Consequently, employees in high-quality LMX relationships tend to receive preferential treatment from their supervisor,
including increased job-related communication, differential allocation of formal and informal rewards, access to supervisors, and increased performance-related feedback (Dienesch & Liden, 1986; Elicker, Levy, & Hall, 2006; Graen & Uhl-Bien, 1995). Furthermore, high-quality LMX is also positively linked to a number of organisationally-desirable employee behaviours, including job performance (Bauer & Green, 1996; Liden, Wayne, & Sparrowe, 2000), motivation (Tierney, Farmer, & Graen, 1999), job satisfaction (Gerstner & Day, 1997), organisational commitment (Gerstner & Day, 1997; Martin, Thomas, Charles, Epitropaki, & McNamara, 2005), organisational citizenship (Law, Hui, & Chun, 2010), and reduced turnover (Nichii & Mayer, 2009). Such outcomes are also likely to be linked to the conversion of interns into regular employees.

**LMX in China.** It has been asserted previously that LMX theory is particularly applicable in a Chinese organisational context, as China’s Confucian-influenced culture emphasises the quality of relationships between the superior and the subordinate (Aryee & Chen, 2006). This assertion is supported by recent research demonstrating the influence of LMX on outcomes in the Chinese workplace (Chan & Mak, 2011; Huang, Chan, Lam, & Nan, 2010; Li, Sanders, & Frenkel, 2012). However, other scholars have questioned the applicability of Western-influenced leadership theories, including LMX, to the China context (Cheng, F, & Farh, 2000; Li, Tan, Cai, Zhu, & Wang, 2013). Rather, such scholars suggest that indigenous leadership theories such as paternalistic leadership are more reflective of Chinese traditional values (Farh & Cheng, 2000; Wu, Hsu, & Cheng, 2002). Thus, investigation of LMX relative to Chinese intern-supervisor relationships contributes to this ongoing discussion.

### 4.1.4. Learning Opportunities

All intern interviewees mentioned the term “learning” at least once during the pilot interviews, often early in their responses. These responses suggesting that interns perceived internships primarily as a learning experience. The following statements capture the centrality of leaning from an intern’s perspective:

“My internship was not very useful for me, as I did not learn much.” [Intern 1]
“I learnt a lot about the real business world; I really enjoyed my internship.” [Intern 7]

“My internship made me realise that what I learnt in university is not useful in the workplace; learning from experience in my internship was very valuable for me.” [Intern 14]

**Learning and Internships.** The Intern’s perception of internships as a learning experience is consistent with the predominant conceptualisation of internships in the literature. Previous work most commonly conceptualised internships as an experiential learning situation, aimed at bridging the gap between classroom learning and the workplace, before entering the employment market (Brooks et al., 1995; Clark, 2003; Gabris & Mitchell, 1989b; Gault et al., 2000). Hence, intern learning is a prevalent theme amongst previous internship studies (Beck & Halim, 2008; Beenen & Mrousseau, 2010; Forde & Medows, 2011; Freedman & Adam, 1996; Scholz et al., 2004). However, as a majority of previous studies have viewed intern learning has been investigated as the penultimate outcome of internships, little is known about its predictive role relative to other internship outcomes. With the exception of two recent studies which linked intern learning opportunities to outcomes including intern satisfaction and job offer acceptance intention (Beenen & Mrousseau, 2010; D'Abate et al., 2009).

**Learning and conversion.** From the perspective of converting interns into regular employees, learning opportunities in internships may be particularly influential, as research on early-career employees has indicated that they are strongly focused on developing their career (Doering, Rhodes, & Schuster, 1983; Gould, 1979). Thus, early-career employees place a heavy emphasis on learning in the initial career period of one to three months (Bauer & Green, 1998; Cropanzano, James, & Konovsky, 1993). Consequently, early career employees tend to focus on those intrinsically motivating characteristics of their work associated with greater learning opportunities (Katz & 1980; Rabinowitz & Hall, 1981; Wright & Bonett, 2002). Compounding this focus on learning opportunities, at this early stage of their career they also tend to be more optimistic regarding the positive link between their learning and career advancement (Ashforth & Saks, 2000; Bauer & Green, 1998;
Cropanzano et al., 1993; Stumpf & Hartman, 1984). For these reasons, it is also presumed that interns on the verge of making future career direction decisions will be heavily influenced by learning opportunities during their internships.

4.1.5. Intern Performance

Intern interviewees consistently highlighted the importance of learning opportunities as a focal outcome of the internship experience from their perspective, whereas supervisors highlighted intern task performance as a focal determinant of internship success from their perspective. Key issues were captured in the following statements:

“In my experience, some interns can do their job quite well and work really hard, often harder than regular employees.” [Host organisation 8]

“Some interns reach a high level of performance in their job quickly; thus they make a valuable contribution to the organisation. Others have low performance which makes them a burden on my time.” [Host organisation 1]

“I am always looking for interns who can reach high levels of productivity in their jobs quickly, as it is difficult to find employees who can perform immediately when they start work.” [Host organisation 4]

Employee performance. Intern job performance has not previously been studied, which is surprising given that employee performance is one of the most widely studied variables in the workplace. Employee performance has consistently been linked to important organisational outcomes, including productivity (Brown & Medoff, 1978), sales growth (Batt, 2002), and safety (Shaw, Gupta, & Delery, 2002). Hence, employee performance description and prediction plays an important role in personnel-related decisions (Barnes & Morgeson, 2007; Landy & Farr, 1980). Although job performance can be defined along many dimensions, all definitions incorporate the dimension of task performance or in-role performance, which refers to performance in the activities directly related to the assigned job rather than discretionary extra-role performance (Campbell, 1990; Katz & Kahn, 1978). This study will focus on the in-role dimension of intern performance, which is more likely
to become evident during the short duration of an internship rather than extra-role performance.

**Intern Performance.** From a host organisation’s employee-selection perspective, intern in-role performance is a key variable, as it can be argued that the primary advantage of internships as a selection method is their potential to provide a context in which to evaluate candidates in a typical performance situations (Zhao & Liden, 2011). Alternative traditional selection methods, such as job interviews and assessment centres, evaluate candidates in maximum-performance situations. Thus, these traditional selection methods provide an indication of what a candidate can do, which has been shown not to necessarily be indicative of what they actually will do post-employment (Klehe & Anderson, 2005; McDaniel, Whetzel, Schmidt, & Maurer, 1994; Sackett, Zedeck, & Fogoli, 1988).

Due to the questionable predictive validity of selection methods which evaluate employment candidates maximum performance, past reviews of selection methods have asserted the need for empirical examination of recruitment and selection processes in typical performance settings (Posthuma et al., 2002). Internships provide an ideal selection setting in which to evaluate typical performance, prior to employment. Firstly, during internships interns are less attuned to the fact that they are being evaluated, secondly interns are not explicitly directed to perform at their best, and finally their performance is observed over an extended period of time focused on the actual day-to-day tasks of the job (Sackett et al., 1988). Thus, the investigation of the role of intern in-role performance, during the conversion of interns into regular employees, is crucial for enhancing the effectiveness of internships as a selection tool.

**4.1.6. Internship Satisfaction**

Another recurring theme identified during the pilot interviews with interns was the concept of overall or general satisfaction with their internship experience. This type of satisfaction was mentioned in addition to satisfaction directly associated directly with the intern-supervisor relationship and with learning opportunities. Furthermore, interns and host organisation interviewees linked general internship satisfaction with
conversion into regular employment. The sample statements below capture these sentiments:

“I was satisfied with my internship; thus I would like to work for this company.” [Intern 8]

“Generally I was quite satisfied with my internship, so I had a good impression of the host organisation.” [Intern 18]

“If the intern is satisfied this is good for our company, as they will tell others, meaning that we will get more interns in the future and are also more likely to be able to attract good employees.” [Host organisation 5]

“We hope that the interns are satisfied with their experience as this is good for the company if we want to offer the intern a job.” [Host organisation 6]

**Job Satisfaction.** That the theme of internship satisfaction emerged from the pilot interviews comes as no surprise given that employee satisfaction is amongst the most extensively researched organisational phenomena. Locke (1976) defined job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. The history of employee satisfaction research can be traced back to 1918, when Thorndike explored the relationship between work and satisfaction (Berry, 1997), and the Hawthorne studies which established the importance of emotional responses in the workplace (Roethlisberger & Dickson, 1939).

Job satisfaction has proven to be one of the most durable constructs in organisational research. As such, it remains a core variable in organisational studies today (e.g., Ariani, 2012; Chen, Ployhart, Thomas, Anderson, & Bliese, 2011; DeTienne, Agle, Phillips, & Ingerson, 2012; Ziegler, Hagen, & Diegl, 2012). The enduring interest in job satisfaction in the workplace is largely due to its established links with desirable organisational outcomes including job performance (Judge, Bono, Thoresen, & Patton, 2001), employee turnover (Boswell, Boudreau, & Tichy, 2005; Chen, Ployhart, et al., 2011), and organisational commitment (Jernigan, Beggs, &
Kohut, 2002; Mowday, Porter, & Steers, 1982). Consequently, internship satisfaction is likely to play a role in predicting intern conversion.

**Intern Satisfaction.** Intern satisfaction has also previously been empirically investigated within the employment setting of internships. For instance Beebe, Baylock and Sweetser (2009) found a positive relationship between payment and intern satisfaction, whilst D'Abate et al. (2009) established that task significance, feedback, work environment, learning opportunities and supervisor support contributed to internship satisfaction. However, relative to other employment contexts, little is known about the functioning of intern satisfaction. Particularly, very little is known about the predictive role of intern satisfaction relative to internship outcomes, including the conversion of interns into regular employees, as previous studies have inferred this linkage rather than empirically tested it (D'Abate, 2010).

### 4.1.7. Conversion of internships into employment

A number of intern interviewees’ perceived internships as a means to evaluate a potential future employer, whereas for others the function of the internship was to fulfil the requirements for degree graduation. Conversely, the supervisor responses conclusively indicated that utilising internships as a means of recruitment and selection was desirable from their perspective. Both intern and host organisation perspectives are captured in the following statements:

“I liked the company and could see a future for myself there of course I would want to stay after the internship if given an opportunity.” [Intern 6]

“I only did an internship at that company because it was close to the university and I had to complete an internship. I never would want to work there.” [Intern 1]

“I had a bad impression of the company of my host organisation after the internship; I would not accept a full time job.” [Intern 12]

“Actually my internship was not related to my future career plans; it was just required for graduation.” [Intern 5]
“Many of our interns have no intention to stay with our organisation after internships, so internships are often a waste of our organisational resources.” [Host organisation 6]

“I think internships are a very good way for the organisation to get to know the intern and the intern to know the organisation prior to employment.” [Host organisation 3]

“Former interns tend to make better employees as they have more realistic impressions of work at our company. For instance, just because your major is management does not mean you can come to the workplace and be a manager.” [Host organisation 4]

“It is hard to find graduates who can be productive when they start work, so we are always happy if we can find this kind of intern and offer them a job.” [Host organisation 4]

Conversion of interns into employees. Intern interview responses indicate that the conversion of interns into regular host organisation employees is not guaranteed, which is reflective of the high degree of desertion interns have when deciding to convert, whilst host organisation responses indicate the value they place on converting desired interns into regular employees. Together, these pilot interview responses corroborate the appropriateness of the central research question posed in this study. Furthermore, the use of internships in a selection capacity is supported by the aforementioned selection literature, endorsing the evaluation of typical performance during selection. However, the conversion of interns into regular employees is not only contingent on the host organisation selecting the intern employee but also on the intern selecting the host organisation as an employer. Internships thus provide also a valuable means by which interns can more effectively select an employer.

During internships, interns are able to gather more information about a potential employer than would be possible during alternative recruitment and selection procedures, hence allowing interns to more accurately access their fit with the organisation and job, prior to employment (Resick et al., 2007). Thereby the
internship experience provides an enhanced form of a realistic job preview. Realistic job previews are known to enhance the effectiveness of the recruitment and selection process (Phillips, 1998; Wanous, 1980), as they provide candidates with a more accurate picture of the job, including both its negative and positive aspects. Moreover, they assist in aligning the candidates’ expectations more closely with the workplace reality, leading to higher satisfaction, reduced turnover, and increased organisational commitment post-employment (Ilgen & Seely, 1974; Wanous, 1980). However, a weakness of realistic job previews is that they are unable to fully capture the range of contextual variables present in actual employment, such as interpersonal relationships in the workplace (Breaugh, 1983; Earnest, Allen, & Landis, 2011; Meglino, Ravlin, & DeNisi, 2000). In contrast, as internships place interns in an actual employment setting, they are able to a large degree to overcome the weakness of realistic job previews, further endorsing the value of internships in a recruitment and selection capacity.

Conversion of Interns into employees. Given the potential of internships as a valuable tool to assist effective recruitment and selection, it is not surprising that the conversion of interns into regular employees has become an increasingly utilised pathway into full-time employment within many organisations (Hurst et al., 2012; Sessions, 2006; Stevens-Huffman, 2006). However, there is a dearth of research investigating factors, which predict the conversion of interns into employees with their host organisations. Recently however, researchers have started to address this deficit in the literature, by investigating variables associated with an intern’s intention to accept a job offer. These variables include intern self-promotion and integration efforts (Zhao & Liden, 2011), an intern’s perceptions of person organisation fit (Resick et al., 2007), an intern’s learning autonomy, goal clarity and intern experience levels (Beenen & Mrousseau, 2010), and supervisor support and feedback (Hurst et al., 2012). This study will contribute to this emerging stream of literature further by investigating additional previously un-researched predictors concerning the conversion of interns into regular employees with their host organisations.
4.1.8. Guanxi

In the pilot interviews, a majority of 73% of intern interviewees indicated that they did not obtain their internship position via formal channels. Rather, they indicated that they used pre-existing relationships, such as a family member, to obtain their internship position. In addition, intern interviewees indicated these pre-existing relationships would also influence actual employment with the host organisation after completion of the internship. However, interns also indicated that these relationships had little effect on the actual internship experience itself. These sentiments are represented in the following statements:

“The host organisation was owned by my mother’s brother; this is how I got the internship.” [Intern 4]

“If I wanted, I could get a job with the host organisation after graduation as the manager is my father’s good friend.” [Intern 10]

“If a host organisation offers an intern a good job they must have some guanxi with the organisation.” [Intern 5]

“The guanxi I used to get my internship was not with my direct supervisor; thus it did have not have direct bearing on what work I did in the internship itself.” [Intern 14]

“Given my low status in the organisation, even though my father knows the owner and got me my internship position, I was not shown favouritism by my supervisor during the internship.” [Intern 6]

**Guanxi.** These findings are consistent with the influential role interpersonal relationships which have been found to play in economic interactions both in Western and Chinese contexts (Burt, 1992; Luo, 2000; Xin & Pearce, 1996). In addition, these responses echo the claims of other scholars that interpersonal relationships are particularly influential in transactions that take place in China (Bian, 1997; Chen, Chen, & Huang, 2013; Chen & Chen, 2004; Luo, Huang, & Wang, 2012). This increased influence can be attributed to the central role that
guanxi plays in all facets of Chinese life. The term “guanxi” has been translated as “connections”, “relations”, or “relationships”. However, such translations fail to capture the rich and dynamic phenomena which is guanxi (Chen, Chen, & Xin, 2004). More exactly, the term refers to particularistic ties rooted in a common background and experience that facilitate exchange (Tsui & Farh, 1997), and form the links in a Chinese social world of intertwined relationships that influence all aspects of Chinese life (Bian, 1997; Hwang, 2004; Jacobs, 1979; Yang, 1997). These aspects include determining employment outcomes (Bian & Ang, 1997; Bian, 1997; Cheung & Gui, 2006). Thus, it is likely that guanxi will play a role in influencing the conversion of interns into regular employees.

4.2. Development of the Hypothesised Model

The directly preceding section of this chapter identified the theoretical constructs to be investigated in the study. Building on this section, this chapter develops hypothesised relationships between the constructs culminating in the hypothesised model to be tested in the main study.

4.2.1. Intern Proactive Personality and LMX

Proactive newcomers. As discussed previously, an intern’s internship experience has parallels with the early stages of a newcomer’s organisational entry. Interns, in common with newcomer employees, enter the organisation with limited knowledge and uncertainty regarding their role. This necessitates that both newcomers and interns undergo a process of organisational socialisation, in order to learn the necessary attitudes, behaviours and knowledge required to fulfil their organisational roles (Van Maanen & Schein, 1979). The interaction between newcomer and organisational insiders is known to be critical in the process of newcomer socialisation, as insiders are an important source of information and the support required for effective organisational adaption (Louis, 1990; Moreland & Levine, 2001; Morrison, 2002). Thus, more proactive newcomers will direct proactive behaviours towards understanding organisational norms and expectations (Crant, 2000; Kim, Cable, & Kim, 2005; Parker, Bindl, & Strauss, 2010b). By actively seeking information from sources such as supervisors, proactive newcomers are
known to achieve more successful socialisation (Crant, 2000; Seibert et al., 2001). Thus, a critical proactive behaviour for newcomers is the forging of relational networks during their initial period of adaption to the organisation (Li et al., 2010; Thompson, 2005). Through establishing relationships, especially with supervisors, interns gain access to the valuable sources of work-related information, resources, knowledge, and experience (Janssen & Van Yperen, 2004) required for successful adaption into their workplace roles.

**Proactive interns.** Due to the interns’ employment status, it is probable that proactively forging relational linkages is crucial for their successful adaption into their work roles. Firstly, this is because as interns they have limited previous experience outside in the workplace, coupled with what may be loosely defined roles within the host organisation. Consequently, interns are likely to experience comparatively greater levels of uncertainty during internships than regular employees would during organisational entry. Secondly, Miller and Jablin (1991) found reluctance from organisational insiders to reveal important information to newcomers, as they have not yet shown certain characteristics such as commitment and trustworthiness. This phenomenon is presumably compounded in the case for interns, given their potentially transient organisational membership. Therefore, proactive interns are likely to direct their behaviours towards establishing high-quality LMX with their internship supervisors where possible. Developing high-quality LMX facilitates the trust and in-group status required for access to information and resources, which is necessary for successful adaption into their organisational roles (Graen & Uhl-Bien, 1995; Liden & Maslyn, 1998).

Proactive interns have a further motivation for directing their proactive behaviours towards developing high-quality LMX with their supervisors. Previous research has identified that proactive employees are more likely to actively engage in activities orientated towards advancing their careers (Major, Turner, & Fletcher, 2006; Thompson, 2005). This behaviour can also be expected from proactive interns, as they are more likely to be highly focused on the development of their future careers. A primary means for an employee to advance their career is by proactively developing and maintaining relationships with individuals who have the potential to assist with their career development (Forret & Dougherty, 2004). Hence, proactive
intern behaviours will likely be directed towards achieving career sponsorship from immediate supervisors where possible (Ng et al., 2005). Achieving career sponsorship requires first establishing a high-quality LMX relationship with a potential sponsor (Li et al., 2010; Wayne, Liden, Kraimer, & Graf, 1999). Therefore, high-quality intern-supervisor LMX is likely to be beneficial for both intern adaption into work roles and future career advancement. Thus, proactive interns may quickly identify opportunities to improve the quality of LMX with their immediate supervisor, whilst they are also less likely to passively accept low-quality LMX, and act to rectify low-quality LMX. Hence, the following hypothesis is proposed:

*Hypothesis1*: The intern’s proactive personality is positively related to the quality of intern-supervisor, leader-member exchange (LMX).

### 4.2.2. LMX and Internship Outcomes

**Supervision and learning.** The organisational socialisation literature highlights the pivotal role the supervisor plays in newcomer learning, by providing the required support, information, resources and feedback required for the effective learning of work roles (Feldman, 1981; Louis, 1990; Moreland & Levine, 2001). Newcomers have limited previous experience, and thus possess a limited number of the interpretive schemas that provide the scaffolding for effective self-directed learning in the workplace (Ashforth, 2001; Siedel, Rimmle, & Prenzel, 2005). Therefore, this requires newcomers, in this case interns, to rely on their supervisors in order to understand their role and learn new work tasks and responsibilities (Saks & Ashforth, 1997). Supervisors can be expected to play an especially pivotal role in intern learning, as due to the short tenure of the internships, an intern’s opportunities to learn through alternative channels; for instance, though developing relationships with co-workers or via trial-and-error, will likely be limited.

Therefore, it is argued that high-quality LMX will provide enhanced learning opportunities, though increased support, informational and behavioural resources provided by the supervisor (Graen & Uhl-Bien, 1995; Liden & Maslyn, 1998). In addition, where employees have high-quality LMX relationships, this will be likely to provide an increased level of interaction with their supervisors (Kramer, 1995),
and thus additional opportunities to learn via modelling their supervisor’s workplace behaviours (Bauer & Green, 1996; Murphy & Ensher, 1999). Also, through increased levels of interaction, employees are provided with additional feedback relating to their task performance (Dienesch & Liden, 1986; Elicker et al., 2006). Hence, it is argued that high-quality intern-supervisor LMX provides the preconditions for intern learning.

High-quality LMX can also be expected to further enhance leaning opportunities, as supervisors often have considerable discretion in the allocation of interns’ workplace tasks. Liu et al. (2011), asserts that learning during internships is dependent on interns being delegated work which provides them with developmental opportunities. Previous research has linked the quality of employee-supervisor LMX with the supervisory delegation of tasks associated with providing employee learning opportunities (Graen & Scandura, 1987; Pellegrini & Scandura, 2006). Furthermore, high-quality LMX in employee-supervisor relationships is known to positively influence employee engagement in learning activities (Bezuijen, van Dam, van den Ber, & Thierry, 2010; Driver, 2002) and learning goal orientation (Janssen & Van Yperen, 2004). Taking these previous findings into account suggests that the relationship between LMX and learning opportunities represents a core, previously untested dimension of internships. Hence, the following hypothesis is proposed:

**Hypothesis 2:** The quality of intern-supervisor, leader-member exchange (LMX) is positively related to an intern’s learning opportunities.

**LMX and intern performance.** High-quality LMX in employee-supervisor relationships is one of the most enduring predictors of employee in-role performance in the workplace (Bowler & Brass, 2006; Feldman et al., 1999; Jokisaari, 2013; Liu & Batt, 2010). High-quality LMX enhances employee performance by providing preferential access to supervisory support and resources (Liden et al., 1997). In addition, for employees in high-quality LMX relationships, experience increases, as does mutual trust, respect, influence, and employees’ sense of obligation towards their supervisor (Graen & Uhl-Bien, 1995). Consequently, high-quality LMX can motivate employees to engage in behaviours that are associated with both enhanced in-role and extra-role performance, in order to fulfil their reciprocal role in the social
exchange process (Kacmar, Witt, Zivnuska, & Gully, 2003; Law, Wang, & Hui, 2010). Based on these previous findings, it is predicted that the established link between LMX and in-role performance extends to internships. Thus, the following hypothesis is proposed:

**Hypothesis 3:** The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern in-role performance.

**LMX and Job Satisfaction.** Interpersonal relationships in the workplace are generally known to be a key determinant of job satisfaction (Busch & Bush, 1978; Gerstner & Day, 1997). In particular, there is reportedly a strong predictive link between an employee’s satisfaction with their relationship with their supervisor and their overall job satisfaction (Brower, Schoorman, & Tan, 2000; Gerstner & Day, 1997; Murphy & Ensher, 1999). This link has also previously been suggested to extend to internships (Feldman et al., 1999). However, previous internship work has not tested the link between the intern-supervisor relationship and internship satisfaction. Unlike research in regular employment settings, which has linked high-quality LMX and employee satisfaction (Epitropaki & Martin, 1999; Gerstner & Day, 1997), this link is attributed to the employee benefits associated with high quality LMX, which can also be expected to increase intern satisfaction. Such benefits include increased job-related communication, the differential allocation of formal and informal rewards, access to supervisors and emotional support (Dienesch & Liden, 1986; Elicker et al., 2006; Graen & Uhl-Bien, 1995). Thus, given the established link between LMX and employee satisfaction, and the pivotal role that the intern-supervisor relationship plays in defining the internship experience, the following hypothesis is proposed:

**Hypothesis 4:** The quality of intern-supervisor, leader-member exchange (LMX) is positively related to internship satisfaction.

**LMX and Intern’s Intention to Convert.** An employee’s relationship with their immediate supervisor has been asserted to be the single most powerful connection an employee can build with an organisation (Wayne, Shore, & Liden, 1997). This assertion is substantiated by previous work which has consistently linked low-quality
LMX with employee intentions to leave their current organisation (Gerstner & Day, 1997; Graen, Liden, & Hoel, 1982; Nystrom, 1990; Schyns, Torka, & Gossling, 2007). Furthermore, Holtom, Mitchell, Lee and Berry’s (2008) review and Griffeth, Hom and Gaertner’s (2000) meta-analysis of LMX literature both support the generally positive link between LMX and employee retention.

Previous research on LMX generally attributes the negative linkage between LMX and turnover intent, to the preferential treatment that employees receive in high-quality LMX relationships. However, there are a number of additional factors, which also account for this linkage. Firstly, employees’ perceptions of their supervisors are associated with their perceptions of the organisation; for instance, the supportiveness of their supervisor is often attributed to the organisation rather than solely to the supervisor themselves (Eisenberger, Stinglhamber, Vandenbergh, Sucharski, & Rhoades, 2003). Secondly, the development of high-quality relationships is often seen as an investment in the organisation. Hence, employees perceive the loss of these relationships as a cost of leaving the organization (Meyer, Bobocel, & Allen, 1991). Thirdly, high-quality LMX is founded on a strong social exchange and reciprocity, which enhances the socio-emotional component of the employment relationship, including employee’s feelings of obligation to the supervisor and thus the organisation (Shore, Lynch, Tetrick, & Barksdale, 2006). As a result, it can be expected that interns who may also have developed increased attachment to their host organisation via high-quality LMX, and thus will have an increased intention to convert.

**Chinese organisational attachment.** It the Chinese relationship-orientated culture, employees are known to perceive their attachment or commitment to the organisation as a form of obligation which is typically attributed to personal loyalty and attachment to particular individuals, rather than to their organisation (Chen et al., 2002; Froese & Xiao, 2012; Hui et al., 2004). Therefore, it is common for Chinese employees to view their supervisors as the representatives of the organisation and couple their attachment to their supervisor with their attachment to the organisation (Chen et al., 2002; Wong, Ng, & Wong, 2003). Thus, previous researchers have asserted that the quality of LMX potentially plays a more influential role in predicting organisational outcomes in China, including organisational commitment,
in the Chinese organisational context than in Western work settings (Aryee, Budhwar, & Chen, 2002; Becker, 1992). Thus, it is argued that LMX may also play an influential role in developing a Chinese intern’s attachment to the organisation. However, due to an intern’s considerable discretion in deciding whether to remain with the host organisation, and the short duration of most intern-supervisor relationships, the extent of the influence of LMX on an intern’s intention to convert into regular employment remains an unanswered question. Hence, the following hypothesis is proposed:

**Hypothesis 5:** The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern intention to convert to regular employment with the host organisation.

It has been asserted that high-quality LMX does not only build the employees attachment to the supervisor, but also the supervisor’s attachment to the employee as LMX is built on a social exchange. Thus, high-quality LMX establishes feelings of obligation in both employees and their supervisors, reciprocating loyalty, commitment, support and trust (Cropanzano & Mitchell, 2005; Graen & Uhl-Bien, 1995). Therefore, supervisors in high-quality LMX relationships with employees are likely to develop an increased affective attachment to employees in this relationship (Gerstner & Day, 1997; Maslyn & Uhl-Bien, 2001; Uhl-Bien, Graen, & Scandura, 2000). Consequently, supervisors in high-quality LMX relationships will feel an increased attachment and obligation to the intern in the dyad. Thus, these supervisors are less likely to want to discontinue the intern-supervisor relationship at the conclusion of the internship, and hence are more likely to support the conversion of the intern into a regular employee.

Furthermore, the proposed link between the quality of LMX in the intern-supervisor relationship and supporting selection of these interns for conversion to regular employment is consistent with sponsored-mobility theory. This theory suggests that selected employees will receive higher levels of support and guidance from superiors, thus aiding their career progression (Rosenbaum, 1984). Sponsored-mobility theory is regarded to have significant overlap with LMX theory (Wakabayashi, Graen, Graen, & Graen, 1988), as high-quality LMX has also been
linked to the supervisors undertaking activities to support employees’ career advancement (Liden & Graen, 1980; Scandura & Schriesheim, 1994; Wayne et al., 1999) in the case of this research supporting conversion to regular employment. Thus, the following hypothesis is proposed:

*Hypothesis 6:* The quality of intern-supervisor, Leader Member Exchange (LMX) is positively related to the supervisor’s intention to employ the intern.

### 4.2.3. The Mediating role of LMX on an Intern’s Proactivity

**Mediated proactive personalities.** Previous research has clearly linked proactive personalities with numerous beneficial individual and organisational outcomes. It has been noted however, that little attention has been given to the intervening mechanisms which link proactive personality to these workplace outcomes (Brown et al., 2006; Crant & Bateman, 2004; Parker et al., 2006; Thompson, 2005). A number of studies have started to investigate the intervening variables through which proactive personality affects workplace outcomes, including opportunity for achievement (Converse et al., 2012), self-efficacy (Brown et al., 2006), perceived insider status (Kim, Hon, & Crant, 2009), and procedural justice climate (Li et al., 2010). This research suggests that proactive personality is a necessary but insufficient condition for proactive behaviour, as Fuller et al. (2006) suggests that individuals high in proactive personality engage in proactive behaviours, as engagement is dependent on the opportunities to be proactive. However, the number of investigations into the influence of intervening variables on the outcomes of proactive personalities remains limited to date.

A particular limitation of previous research on the topic of mediators of proactive personalities is their failure to capture the role of relational linkages in shaping the outcomes of proactive personalities in the workplace. This is notable, given that relationships in the workplace are widely acknowledged to be crucial in determining employees’ attitudes and behaviours (Chen, Boucher, & Tapias, 2006). Two exceptions are Thompson’s (2005) study of the mediating role of network building and Zhang, Wang, and Shi’s (2012) study of the mediating role of leader-follower congruence in LMX. Both of these studies found that relational linkages in the work
place did mediate the outcomes of proactive personalities. Given the centrality of intern-supervisor relationships in internships, it can be posited that intern proactive personalities will also be inhibited from manifesting themselves in internships in the presence of a low-quality intern-supervisor relationship.

**LMX as a mediator.** LMX has commonly been treated as a mediating variable in previous research, in order to capture the intervening role supervisor subordinate relationship linkages, between antecedents and workplace outcomes (Harris, Wheeler, & Kacmar, 2009; Murphy & Ensler, 1999; Wang et al., 2005). Thus, it is generally accepted that LMX operates as a mechanism through which antecedents affect consequences in the workplace (Erdogan & Liden, 2002). Given the established and pivotal role of the intern-supervisor relationships during internships (e.g., Callanan & Benzing, 2004; Feldman et al., 1999; Lam & Ching, 2007; Masumoto, 2004), LMX can be expected to act as a crucial mechanism through which interns achieve desired outcomes.

It could be argued that, due to an intern’s short tenure, limited experience, low organisational status, and relative outsider status, a proactive intern will consequently have limited means to achieve their desired goals. Thus, the achievement of desired outcomes is highly contingent on supervisory support associated with high-quality LMX, which provides the necessary means by which a proactive intern can achieve these outcomes. The outcomes potentially mediated by LMX include those which have previously been established as direct outcomes of employee proactive personalities such as increased job performance (Crant, 2000), increased job satisfaction (Ng et al., 2005), enhanced learning outcomes (Ashforth et al., 2007; Kammeyer-Mueller & Wanberg, 2003), and enhanced career advancement (Converse et al., 2012; Van Scotter et al., 2000). Therefore, the following four mediated hypotheses are proposed:

*Hypothesis 7a*: The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their learning opportunities.
Hypothesis 7b: The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their in-role performance.

Hypothesis 7c: The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and internship satisfaction.

Hypothesis 7d: The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and the supervisors’ intention to convert them.

4.2.4. Learning Opportunities and Internship Satisfaction

Learning opportunities and internship satisfaction. Previous studies have found that the learning opportunities offered during internships can predict intern satisfaction with their internship experience generally (Busch & Bush, 1978; D'Abate et al., 2009). These findings are consistent with wider research suggesting a positive relationship between workplace learning and job satisfaction (Rowden, 2002). This relationship is also theoretically substantiated by the association between the intrinsically motivating characteristics of work such as autonomy and challenge, which are associated with job satisfaction (Hackman & Oldman, 1975). These characteristics of work develop an employee’s sense of competency and self-worth by providing employees with opportunities to develop their ability and careers (Eby, Freeman, Rush, & Lance, 1999; Hackman & Oldman, 1975; Pearson & Chong, 1997; Pierce, Van Dyne, & Ciummings, 1991), consequently leading to higher levels of employee satisfaction.

Given interns early career stage, learning opportunities during internships can be expected to be a particularly influential determinant of their satisfaction, given that learning opportunities are known to be particularly influential for other early career employees’ satisfaction (Bauer & Green, 1998; Cropanzano et al., 1993). This is because early career employees, in this case interns, particularly value the intrinsically motivating characteristics of their work associated with greater learning
opportunities and career advancement (Rabinowitz & Hall, 1981; Wright & Bonnett, 2002). Consequently, the following hypothesis is proposed:

**Hypothesis 8:** The learning opportunities experienced by interns are positively related to their internship satisfaction.

### 4.2.5. Internship Learning Opportunities and Intention to Convert

Testing the impact of learning opportunities during internships has potential implications for the conversion of interns into regular employees. It is known that throughout the internship experience, an intern formulates perceptions of their future career path with the host organisation, which will impact on their decision to convert to regular employment with the organisation (Callanan & Benzing, 2004; Meredith & Burkle, 2008). For an intern, the primary indicators of a promising career path are career advancement and developmental opportunities within the host organisation (Dixon et al., 2005; Hurst et al., 2012). This is consistent with broader organisational literature, indicating that organisations providing employees with opportunities to learn are generally regarded as more desirable places to work (Sheldon, Turban, Brown, Barrick, & Judge, 2003). This is largely because learning opportunities indicate to employees the potential to advance their career with a particular organisation (Fugate et al., 2004; Rollag, Parise, & Cross, 2005).

Therefore, an intern’s perception of learning opportunities during internships will likely impact on their intention to remain with the host organisation, as learning opportunities during the internship signal the potential for the continuation of such opportunities in full time employment with the host organisation (Ng, Butts, Vandenberg, DeJoy, & Wilson, 2006). Although learning opportunities are likely to be a crucial determinant of an intern’s conversion to regular employment, there is very little research that investigates the link between aspects of an intern’s learning experience during the internships and their intention to convert to regular employees (e.g., Beenen & Mrousseau, 2010; Liu et al., 2011). Rather, a majority of previous work has investigated intern learning as the penultimate outcome of internships (e.g., Brumm et al., 2006; Ciofalo, 1989; Eyler, 1995; Gault et al., 2000; Hymon-Parker, 1989; Hynie et al., 2011; Scholz et al., 2004). However, this study suggests
that learning opportunities will be influential predictor of an intern’s intention to convert to regular employment. Hence, the following hypothesis is proposed:

*Hypothesis 9:* The learning opportunities provide for an intern are positively related to their intention to convert into employment with the host organisation.

### 4.2.6. Internship Satisfaction and In-role Performance

**Job satisfaction and job performance.** The association between job satisfaction and job performance is one of the most widely researched relationships in the workplace (Bowling, 2007; Herzberg, Mausner, Peterson, & Capwell, 1957; Judge, Thoresen, Bono, & Patton, 2001). The history of this research can be traced back to the seminal Hawthorne studies, which linked job attitudes to employee productivity (Roethlisberger & Dickson, 1939). The causal direction in this relationship has previously been proposed in three directions: from performance to satisfaction (Naylor, Pritchard, & Ilgen, 1980; Vroom, 1964), from satisfaction to performance (Riketta, 2008), and to be bidirectional (Schwab & Cummings, 1970). However, despite the extensive body of research investigating the linkage between job satisfaction and job performance, findings have not been conclusive (Judge, Bono, et al., 2001). Furthermore, this core workplace linkage has not previously been investigated within the context of internships.

This study proposes a casual linkage from intern satisfaction to intern performance, given that the alternative causation from performance to satisfaction is founded on the expectancy motivation theory, whereby it is claimed that good performance leads to rewards which in turn lead to satisfaction (Naylor et al., 1980; Vroom, 1964). However, due to the nature and length of internships, interns are unlikely to receive substantial rewards for their performance, as in the short term, tangible rewards including monetary or career progression are less likely to manifest themselves, thus an interns’ increased performance is more likely to originate from the satisfaction associated with intrinsically-motivating characteristics of an intern’s work (Hackman & Oldham, 1980; Steers & Porter, 1991). Consequently, in the context of internships it is more plausible that increased internship satisfaction will lead to increased intern performance. Thus, the following hypothesis is proposed:
Hypothesis 10: The interns’ level of internship satisfaction is positively related to their in-role performance.

4.2.7. Internship Satisfaction and Intention to Stay

Job satisfaction and turnover intention. The conversion of interns into regular employees differs from the process of recruiting and converting regular candidates for employment. Regular candidates tend to have no prior employment relationship with the organisation, whereas interns are already engaged in a form of employment relationship. Hence, an intern’s decision to extend this relationship with the host organisation into regular employment has some parallels with regular employee turnover intention. Regular employee turnover intention is widely acknowledged to be influenced by job satisfaction (Boswell et al., 2005; Chen, Ployhart, et al., 2011; Steers & Mowday, 1981). Numerous meta-analytic reviews have provided further evidence of the negative relationship between job satisfaction and employees’ intentions to leave their current employer (Griffeth et al., 2000; Tett & Meyer, 1993). Although previous internship studies have inferred that this linkage generalises to internships (D’Abate et al., 2009; Rothman, 2003), the predictive role of intern satisfaction relative to intention to convert to regular employment with the host organisation has not previously been empirically tested.

Internship-satisfaction and intention to convert. Substantiating this relationship within internships is of particular importance, as unlike regular employees, interns have not yet received or accepted a job offer, and thus are uniquely situated to evaluate their satisfaction with the host organisation prior to accepting a job offer (Knouse et al., 1999; Pedro, 1984). In addition, an employee’s risk versus reward calculation is known to be an important influence on employee turnover intentions (Chen, Ployhart, et al., 2011; Kahneman & Tversky, 1984). However, an intern’s risk versus reward calculation will differ from that of a regular employee, as they have invested considerably less in the organisation. Consequently, interns have less to lose by terminating their relationship with the host organisation at the conclusion of the internship. Therefore, it can be posited that due to an intern’s increased discretion in making the decision to remain with the host organisation, their satisfaction is of
enhanced importance for predicting their intention to convert to regular employment with their host organisation. Consequently, the following hypothesis is proposed:

*Hypothesis 11*: An intern’s level of internship satisfaction is positively related to their intention to convert into employment with the host organisation.

### 4.2.8. Intention to Convert and Actual Conversion

**Employee turnover.** Employee turnover intentions have been empirically shown to be the most important predictor of actual turnover (Kammeyer-Mueller et al., 2005; Steel & Ovalle, 1984). Further corroborating this relationship Griffeth et al’s (2000) meta-analysis, suggests that turnover intent has a strong and consistent relationship with actual turnover. Furthermore, job acceptance intentions are also known to predict actual job acceptance, as they indicate how attractive an employer is to a job candidate (Cable & Judge, 1997). Supporting the generalisation of this linkage to internships, newcomer research also suggests that the initial attitudes formed early in the employment relationship influence subsequent attitudes and behaviour (Mowday et al., 1982; Wanous, 1992). Previous internship work has only examined interns’ job offer acceptance intentions rather than actual conversion to employment (Beenen & Mrousseau, 2010; Karatepe & Kilic, 2007). Thus, this study empirically investigates the linkage between these two variables within the context of internships, which is of particular importance given the time lag between completion of the internship and actual employment after graduation. Hence, the following hypothesis is proposed:

*Hypothesis 12*: The interns’ intention to convert to regular employment with their host organisation is positively related to their actual conversion into employment with the host organisation.

### 4.2.9. Intern Performance and Intention to Employ

**Performance and employee selection.** Successful conversion of interns into regular employees is not only dependent on the intern’s willingness to be recruited, but it is also dependent on the organisation selecting the appropriate intern for conversion. Although intern job related performance has not previously been studied, it is likely to influence their supervisor’s intention, as employee performance prediction plays
an important role in all organisational personnel decisions including employee selection (Barnes & Morgeson, 2007; Landy & Farr, 1980). Specifically, employee in-role performance is regarded as a crucial selection criterion, as it is commonly viewed as a means to gauge an employee’s contribution towards overall organisational performance (Batt, 2002; Zhou & Martocchio, 2001). Furthermore, high-performing employees are desired by organisations as they are more likely to perceive the intrinsic value of their job (Mueller, 1981; Steers & Mowday, 1981), leading to an upward spiral in employee performance and reduced turnover (Hom & Griffeth, 1995; Jackofsky, 1984; McEvoy & Cascio, 1987). Thus, selecting interns with the potential to perform in their workplace roles is core to an internship’s ability to function as an effective selection method.

As discussed previously, an internship’s strength in a selection capacity is its ability to allow the evaluation of typical performance prior to employment. Employers generally primarily value an employee’s typical performance when making personnel decisions. This is confirmed by the positive relationship found between typical performance and compensation levels (Barnes & Morgeson, 2007; Jenkins, Mitra, Gupta, & Shaw, 1998). An intern’s immediate supervisor is well placed to evaluate an intern’s in-role performance in a typical performance situation over the duration of the internship, prior to deciding whether an intern is desirable as a regular employee for their organisation. Hence, the following hypothesis is proposed:

**Hypothesis 13:** The interns’ in-role performance is positively related to their supervisor’s intention to convert them.

An immediate supervisor’s proximity to the intern during their internship provides the supervisor with the opportunity to evaluate an intern relative to selection criteria such as in-role performance. Consequently, an immediate supervisor’s experience with an intern during the internship will likely be a primary source of information used for the host organisation in making its selection decisions. Thus, it is presumed that the supervisor’s intention to convert the intern will be positively related to an intern’s actual conversion into a regular employee with the host organisation. Hence, the following hypothesis is proposed:
Hypothesis 14: The supervisor’s intention to convert an intern is positively related to the intern’s actual conversion into regular employment with the host organisation.

4.2.10. Pre-internship Guanxi and Employment

Social-networks and employment. In addition to variables such as an intern’s intention to convert with the organisation and their supervisor’s intention to employ them, variables external to the internship itself may impact on whether the intern actually converts to regular employment. One potentially influential variable is the intern’s social networks established prior to the internship, as social networks are known to influence employment outcomes for job seekers (Granovetter, 1995; Rebick, 2000), as social networks provide job seekers with both strong and weak network ties, which can provide information and referrals leading to employment (Granovetter, 1995; Waldinger, 1996). Weak ties, such as those associated with acquaintances, provide a greater quantity of information regarding employment opportunities through having a wider spread.

Thus, weak ties have been shown to be more useful in gaining employment opportunities relative to strong ties (Bridges & Vilemez, 1986; Granovetter, 1973; Montgomery, 1992). However, the opposite relationship has been found in Chinese labour markets, where strong ties such as with immediate family members, associated with strong guanxi, are known to be more predictive of advantageous employment outcomes (Bian & Ang, 1997; Bian, 1994). Therefore strong guanxi ties and networks act as social resources for job seekers (Hwang, 1987; Lin, 1982) which can be utilised to obtain employment and career success (Bian, 1997; Xiao & Tsui, 2007).

Guanxi and employment. The reason for the greater influence of strong ties in the Chinese labour market context is attributed to the pivotal role of guanxi in Chinese society, coupled with the legacy of the centrally-controlled labour market of the planned economy era (Bian & Huang, 2009; Walder, 1986). In this era, strong personal ties with an individual who could exert influence on the employer were required in order to receive beneficial from labour market outcomes. Consequently, information regarding employment opportunities received through weak ties was
irrelevant for job seekers in this era (Bian, 1994, 1997). Post-labour market deregulation, strong ties or strong guanxi were predicted to play a declining role in shaping employment outcomes (Guthrie, 1998, 2002). However, research points to the sustained or even increasing impact of strong guanxi relationships in determining employment outcomes in China (Bian & Huang, 2009). Hence, the intern’s conversion into regular employment with the host organisation may be influenced by strong guanxi relationships, which existed prior to the commencement of the internship. Thus, strong guanxi with the host organisation, for instance through an immediate family member, may play a key role in interns gaining employment with the host organisation. Therefore, the following hypothesis is proposed:

*Hypothesis 15:* The interns’ pre-internship guanxi with the host organisation is positively related to their actual conversion into regular employment with the host organisation.
4.3. Summary

This chapter reported on the results from the preliminary qualitative phase of the study in addition to relevant literature on the topic, in order to identify contextually relevant theoretical constructs for investigation in the study. The discussion then turned to developing the 18 hypothesised relationships between these constructs, culminating in the hypothesised model presented in Figure 4.1. The next chapter will detail the development and validation of the new pre-internship guanxi scale, before proceeding to reporting the results of the main study in Chapter 6 of this thesis.
Chapter 5. Pre-internship Guanxi, Scale Development and Validation

Chapter 3 detailed the measures, which were adapted for this study in order to measure the variables included in the hypothesised model. However, no suitable measure currently exists to gauge the variable of guanxi, which was identified in the preliminary study as potentially impacting on intern conversion. Hence, Chapter 5 details the steps taken to develop and validate a new measure of pre-internship guanxi, for inclusion in the main study. The chapter first addresses the generation of items associated with both the categorical and dynamic dimensions of guanxi, then details the methods used for item generation and assessment of their content validity, consisting of focus group discussions, free-listing, pile-sorting and scenario activities, as well as judgement analysis (n =126), before proceeding to outline the validation of the pre-internship guanxi scale in the pilot distribution of the scale (n = 227). The steps taken to develop and validate the pre-internship guanxi scale are outlined in Figure 5.1.

**Figure 5.1**
Pre-internship guanxi scale development and validation studies

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<table>
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<th>Study-two</th>
<th>Study-three</th>
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</thead>
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<td><strong>Focus group 1</strong></td>
<td><strong>Focus groups 6 &amp; 7</strong></td>
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<tr>
<td>1. Free-listing, generation of relationship categories</td>
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<td></td>
</tr>
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<td><strong>Focus groups 2 &amp; 3</strong></td>
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5.1. The Measurement of Guanxi

Despite guanxi been included as a major construct in at least 180 organisational studies (Chen et al., 2013), to date, the variable of guanxi does not possess a widely applied means of measurement (Chen & Chen, 2004; Latham & Gordon, 2009; Wong, Wong, & Wong, 2010; Yang, 2001b). The lack of a widely accepted measure of guanxi can largely be attributed to the fact that it is a multidimensional, rich, complex, and dynamic construct (Chen et al., 2013; Yang, 2001a, 2001b). The multifaceted nature of guanxi is best demonstrated in the two differing broad conceptual approaches to the empirical investigation of guanxi. Chen and Chen (2004) define these approaches as ‘categorical’ or ‘dynamic’. The categorical approach focuses on categories or particularistic relationships, such as family, when conceptualising and measuring guanxi (Farh, Tsui, Xin, & Cheng, 1998), whereas the dynamic approach places more emphasis on the general quality of guanxi relationships, revealed in their behavioural consequences, such as deferential behaviours, and/or affective dimensions such as trust (Chen & Peng, 2008; Chen, Friedman, Enhai, Fang, & Lu, 2009).

5.1.1. Approaches to Guanxi Measurement

**Categorical approaches.** Studies which take a categorical approach to guanxi measurement primarily utilise particularistic ties, such as family, classmates and acquaintances, as a means to gauge the presence and/or type of guanxi present (Farh et al., 1998; Tsang, 1998; Tsui & Farh, 1997; Yeung & Tung, 1996). Most fundamentally this approach distinguishes between family vs. non-family relationships, with the former been regarded as ascribed and the latter achieved (King, 1991). Another variant is the family vs. familiar or blood vs. social distinction (Jacobs, 1982; Tsang, 1998). In addition Chen et al., (2013), identifies categories of mixed guanxi, between the aforementioned guanxi categories, for instance Yang’s (1993) guanxi categories of familial, acquaintance and stranger adopted by researchers taking a categorical approach (e.g., Fu, Tsui, & Dess, 2006; Tsui & Farh, 1997)
Therefore, in studies adopting a categorical approach, the strength of guanxi is often inferred from the type of particularistic relationship with the guanxi-helper, and its proximity to the focal individual (Hwang, 1987; Yang, 1993; Zhang & Zhang, 2006). With the closest relationships, for instance those with immediate family, are associated with the strongest guanxi, founded on morally prescribed unconditional sentiment and obligation (Tsui & Farh, 1997; Yang, 1994). Conversely, the most distant and weakest guanxi relationships such as those with acquaintances, are founded on mutual instrumental benefit (Tsui & Farh, 1997; Yang, 1994). The measurement of guanxi by type relationship category is complicated by the fact that, although a particularistic relationship is a necessary precondition for guanxi, it does not guarantee its outcomes. For instance, the degree of affection, trust, or obligation between close friends may vary considerably (Tsang, 1998). Hence, gauging guanxi purely by a category of relationship provides only a partial measurement of the degree of guanxi present in a particular relationship (Hwang, 1987; Kiong & Kee, 1998).

**Dynamic approaches.** Measurement of the categorical relationship base on which guanxi is founded provides a starting point from which to gauge the impact of guanxi. However, the impact of guanxi on organisational phenomena cannot be definitively measured from its categorical dimension alone, necessitating that guanxi’s dynamic dimension to also be captured in its measurement. The dynamic dimension of guanxi is measured by its behavioural and affective manifestations (Chen & Peng, 2008; Cheung, Wu, Chan, & Wong, 2008; Wong, Ng, et al., 2003). It should be recognised that capturing the interactions between the categorical and dynamic dimensions of guanxi in a single measure is complex, as highlighted by Latham and Gordon (2009) in their study contrasting previously-used guanxi measures, which found the categorical versus dynamic measures often produced diverging and even conflicting results.

**Context sensitivity.** In addition to the multidimensional nature of guanxi, the complexity of its measurement is further compounded by its sensitivity to context. This is illustrated by the fact that linguistically it is difficult to provide a concise definition of guanxi, as it is used as a loose term with multiple context-dependent meanings (Tsui & Farh, 1997). The context-sensitive nature of guanxi is related to a
Chinese cultural characteristic of allowing considerable discretion in deciding the appropriate behaviours for interpersonal interactions (Chen & Chen, 2004). Bain and Huang (2009) assert that due to the impact of context on guanxi, prior research has often been shaped by particular variables of the specific research context, thus affecting the generalisability of guanxi research.

**Current measurement.** The highly context-sensitive nature of guanxi can partially account for the lack of continuity in its measurement across studies, demonstrated in Table 5.1. Of particular note to the context of this study is that a majority of previous measures of guanxi assess guanxi via post-employment behaviours (e.g., Chen & Peng, 2008; Cheung et al., 2008; Wong, Ng, et al., 2003) and thus are unsuitable for this study as it wishes to measure that guanxi which predates the internship/employment relationship. In conclusion, the subsequent sections of the present chapter develop and validate pre-internship guanxi measure, building on previous work, both categorical and dynamic, whilst also incorporating the context-dependent nature of guanxi into its measurement. Thus, this chapter outlines the development of the pre-internship guanxi scale, calibrated specifically to the context of gaining internship positions and, by extension, ultimately graduate employment.
### Table 5.1
Selected Guanxi Measures

<table>
<thead>
<tr>
<th>Source</th>
<th>Measurement Approach</th>
<th>Sample Items</th>
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</thead>
<tbody>
<tr>
<td>Bian &amp; Ang (1997)</td>
<td>Intimacy and particularistic ties</td>
<td>How well did you know the helper? Connection to the helper: kin to kin; kin to non-kin; non-kin to kin; non-kin to non-kin</td>
</tr>
<tr>
<td>Farh, Tsui, Xin &amp; Cheng (1998)</td>
<td>Particularistic ties</td>
<td>Respondents were asked to indicate the presence of particularistic ties Classmate, relative; same family name; same province; former colleague; former teacher/student, former supervisor/subordinate; former neighbour</td>
</tr>
<tr>
<td>Chen, Friedman, Yu, &amp; Sun (2011), adapted from Lin (2002)</td>
<td>Differential behaviours</td>
<td>“Under the conditions of similar qualifications, my supervisor would assign me the important and easy-to-be-achieved job assignments.” “My supervisor allocates me more bonuses than others.”</td>
</tr>
<tr>
<td>Wong, Tinsley, Law, &amp; Mobley (2003)</td>
<td>Differential behaviours</td>
<td>“I would lend him/her money” “I would miss a work meeting in order to visit him/her in the hospital.”</td>
</tr>
<tr>
<td>Chen, Chen, &amp; Xin (2004)</td>
<td>Differential behaviours and prevalence of guanxi networks.</td>
<td>Task allocations are often decided based on guanxi. How likely it is that guanxi networks exist in your company?</td>
</tr>
<tr>
<td>Chang &amp; Lii (2005)</td>
<td>Perceived network insider status</td>
<td>“I would invite AAA’s managers for family activities on holidays.” “I would invite AAA’s managers to go abroad to participate in trade shows.”</td>
</tr>
<tr>
<td>Cheung &amp; Gui (2006)</td>
<td>Intimacy and mutual familiarity</td>
<td>Your closeness to the matchmaker. The matchmaker’s familiarity with you.</td>
</tr>
<tr>
<td>Reference</td>
<td>Instrumental and expressive dimensions</td>
<td>Behavioural incidents positive and negative</td>
</tr>
<tr>
<td>-----------</td>
<td>----------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Chen &amp; Peng (2008)</td>
<td>Instrumental and expressive dimensions</td>
<td>Behavioural incidents positive and negative</td>
</tr>
<tr>
<td>Cheung, Wu, Chan &amp; Wong (2008), adapted from Liden, Wayne, &amp; Stilwell (1993)</td>
<td>“We can fully communicate about our feelings at work.”</td>
<td>“We trust each other.”</td>
</tr>
<tr>
<td>Zhang, Soh, &amp; Wong (2009) Adapted from Burt &amp; Knez’s (1995) and Bian’s (1997)</td>
<td>“The colleague kindly reminded you when he/she found the mistakes you made in your work.”</td>
<td>“The colleague did not return the money you loaned him.”</td>
</tr>
<tr>
<td>Chen et al.,(2009)</td>
<td></td>
<td></td>
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<tr>
<td>Wong, Wong &amp; Wong (2010)</td>
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5.2. Pre-internship Guanxi Scale Development and Validation Studies

The preceding sections in the current chapter identified the need for developing a new scale measuring guanxi, tailored to the context of this study. Developing and establishing the validity of a new scale is neither a onetime task, nor one which can be achieved using a singular approach (Schwab, 1980). Thus, the development and validation of the pre-internship guanxi scale was undertaken in three studies, each using different methodologies, and each building on the prior study, as briefly outlined below:

*Study One* generated and accessed the content validity of the items representing the categorical dimension of guanxi, using focus groups, free-listing and pile-sorting activities.

*Study Two* generated and accessed the content validity of the items representing the dynamic dimension of guanxi, using focus groups, scenario method, and judgement analysis.

*Study Three* piloted the pre-internship guanxi scale developed in Study One and Two, followed by an assessment of its psychometric properties.

Hinkin (1998) suggests that new scale item generation can be deductive and/or inductive. In this study, both approaches were used. Item generation was deductive, in that Study One was guided by the extant literature relating to the categorical dimension of guanxi, and Study Two focused on its dynamic dimension. Concurrently, inductive methods were also used, including focus groups consisting of free-listing and pile-sorting activities facilitating the inductive generation of items related to context-dependent dimensions of guanxi, which are less well defined in the extant literature.

Focus groups are recommended as a means of enhancing content validity at an early stage of measurement development (Dawne, Daniel, & Lynda, 2004; O’Brien, 1993). Focus groups are particularly suitable for this study given their utility for capturing
in-depth contextual details associated with a construct (Wolff et al., 1993). Additionally, using focus groups allows insights into the cognitive and social processes which influence comprehension and subsequent responses to the scale’s items (Wolff et al., 1993). Furthermore, Stening & Zhang (2007) found focus groups to be of enhanced utility amongst Chinese respondents, as they allowed participants to distance themselves from their individual responses. For the above reasons, focus groups were used to generate the items for the pre-internship guanxi scale. Typically, three to five groups are needed to ensure coverage of the range of experiences or opinions about a particular topic with (Morgan, 1997).

The participants were recruited from the internship position acquirer rather than the allocator, as Guthrie (1998) found managers have tried to distance themselves from the practice of guanxi in employment allocation. However, the instrumental value of guanxi in all aspects of life is accepted by the Chinese population in general (Chu & Ju, 1990). Hence, the job acquirer was regarded as more likely to perceive the instrumental value of guanxi, and thus provide more truthful responses than the allocator. To further enhance the validity of the measure, it was also submitted to judgement analysis, as recommended for measure development by Wu et al., (2006). Input from panel members was solicited using an adaption of the “Delphi” technique (McKenna, 1994), involving judges independently contributing multiple rounds of feedback via e-mail until a degree of consensus was achieved regarding the validity of the pre-internship guanxi scale. In the next sections, each of the studies will be discussed in turn outlining their procedures, sample and results.

5.2.1. Study One: Pre-internship Guanxi Scale, Categorical Item Generation

5.2.1.1. Sample and Procedures

The participants in Study One were recruited from a sampling frame provided by student organisations, within a university located in China’s south-eastern province of Fujian. The sampling frame consisted of recent business school graduates who had previously completed internships. From this sampling frame, a convenience sample of graduates returning to the campus for their graduation ceremony was recruited, for participation in the focus groups. In Study One, five separate Focus groups were
conducted; Group One, (n=10), Group Two, (n=15), Group Three (n=15), Group Four (n=9), and Group Five (n=9). The focus groups were approximately 60 minutes in length, the participants mean age was 22.28 years (sd =.33), and 63% of the participants were female.

**Free Listing and Pile-sorting Procedures.** To generate the categorical items, focus group discussions, free-listing, and pile-sorting activities were used (Spradley, 1979). Free-listing activities were used in Focus Group One, to generate the guanxi relationship types. The free-listing technique was suitable, as it has often been used in anthropological studies to generate lists of terms associated with the domain of a specified construct (Brewer, Garrett, & Rinaldi, 2002; Walker & Hennig, 2004), in this case guanxi. In Focus Group Two, matching and basket sorting-type procedures were also used for categorising the relationships, given the utility of these procedures in developing and assessing the content validity of scale items (Anderson & Gerbing, 1991; MacKenzie, Podsakoff, & Fetter, 1991; Schriesheim, Powers, Scandura, Gardiner, & Lankau, 1993). The specific sorting technique used in the current study was pile-sorting, which is a method of domain analysis allowing the researcher to investigate how items relate to each other in the minds of research participants (Bernard, 1994; Jenike, Lutz, Vaaler, Szabo, & Mielke, 2011). Finally, preliminary items developed in earlier focus groups were tested on Focus Groups Four and Five, followed by respondent de-briefs, as an initial validation procedure, as recommended by Anderson and Gerbing (1991).

**Procedures for Focus Group One.** This first focus group was designed to generate the relationship categories for the subsequent sorting and ranking activities, carried out by Groups Two and Three. For Group One, the free-listing task required participants to first list independently, on a piece of paper, all the types of their own or their parents’ relationships, which they perceived could be useful for obtaining an internship position. Next, the papers were collected, and a composite list of the relationship categories was written on the board. Overlapping items were deleted, and others were consolidated by group consensus.

**Procedures for Focus Groups Two and Three.** The second and third focus groups used sorting and ranking procedures to further consolidate and refine the guanxi
relationship categories generated by Group One, relative to the context of this study. Stage One of the pile-sort was unconstrained, in which the participants of Group Two and Group Three were instructed to construct as many related piles as they desired from the cards displaying the relationship types generated by Group One. The focus group facilitator then asked the participants to provide their criteria for the piles they had created; both the content of the piles and the participants’ sorting criteria were recorded. In Stage Two of these focus groups, a constrained pile-sort was performed, in which participants were asked to sort cards into strong, medium, and weak guanxi groupings relative to the research context; firstly individually, and then collectively. Any discrepancies between individuals’ pile Sorts were discussed and final categorisations were agreed upon collectively. In Stage Three, the participants were asked, where possible, to pair categories of relationships, which they perceived to represent bi-polar opposites of guanxi strength. In Stage Four of the sorting activity, participants first individually, then as a group, were required to rank these matched pairs relative to their suitability to function as opposing anchors, on an interval scale for measuring pre-internship guanxi.

**Procedures for Focus Groups Four and Five.** In groups, Four and Five, pre-tests were administered for the categorical items generated by Focus Groups One, Two and Three. Self-administered paper questionnaires were distributed in Focus Groups Four and Five, directly followed by participant de-briefs. In Stage One, of the debrief discussions were focused on the participants accessing the content validity of the items, relative to the specific context of the research. Where misinterpretations of the items had arisen in the pre-test, participants were directed to identify the underlying cause. Additionally, if new dimensions arose or major modifications of items were suggested, the participants were then directed towards achieving consensus regarding modifications. In Stage Two of these de-briefs, the participants once again completed a free-listing activity, requiring them to generate hypothetical scenarios, containing additional contextual information, which would affect the outcomes of the guanxi relationships sated in the pre-test. This was followed by a discussion with the participants about the scenarios generated and their potential outcomes.
5.2.2. Categorical Item Free-Listing and Pile-Sorting Results

**Focus Group One’s results.** From Group One’s individual free-listing activity, 23 ways of categorising or distinguishing guanxi relationships types were generated. In the subsequent group discussions, which followed, multiple terms were collapsed into single categories where possible. Here the relationship types of business partnership and customer-supplier were collapsed into “mutual-benefit”, parents, grandparents and blood-brothers/sisters into “immediate family”, and lastly schoolmates, same hometown, and classmates into “friend”. The relationship type “good friend” was deleted as participants agreed, its common colloquial usage gave it an ambiguous meaning relative to the context of the study. A final list of eleven relationships categories was produced, which is presented in Table 5.2. The next stage consisted of the pile sort of the items, which were used, in the pile-sorting activities conducted by Focus Groups Two and Three.

**Focus Groups Two and Three’s results.** The results of the unconstrained individual pile-sorts of relationship categories were analysed using cluster analysis, to derive sets of linkages between items (Johnson, 1967), identifying eight recurring criteria for classifying guanxi relationship types: (a) strong/close, moderate, weak/distant, (b) affection based or mutual benefit based (c) family, friendship and acquaintance/stranger. The constrained pile-sorts, sorted by guanxi strength, reveal that 100% of participants classified immediate family as representing strong/close guanxi, whilst 100% of participants classified those relationships, which were neither friend nor family as weak/distant guanxi. For other relationships types, less definitive results were achieved. For example, 63% of participants placed non-immediate family members in the strong/close guanxi category; however, 37% placed them in the moderate guanxi strength category. In subsequent discussions, participants indicated that when allocating a guanxi strength, with regard to eight of the eleven relationship types, their choice was dependent on a number of contextual variables. Consistent with the results of the first constrained pile-sort, the second constrained pile-sort revealed only one pair of relationship types as being definitively bi-polar, and thus suitable for anchors on a seven-point interval scale of ‘1’ (Acquaintance) to ‘7’ (Immediate family).
Table 5.2  
Study-One: Free-listing and Constrained Pile-Sorting Results

<table>
<thead>
<tr>
<th>Relationship Category</th>
<th>Weak Guanxi</th>
<th>Moderate Guanxi</th>
<th>Strong Guanxi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediate Family</td>
<td>---</td>
<td>---</td>
<td>100%</td>
</tr>
<tr>
<td>Non-Immediate Family</td>
<td>---</td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td>Distant Family</td>
<td>57%</td>
<td>43%</td>
<td>---</td>
</tr>
<tr>
<td>Best Friend</td>
<td>---</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Friend</td>
<td>63%</td>
<td>37%</td>
<td>---</td>
</tr>
<tr>
<td>Friend of friend</td>
<td>78%</td>
<td>22%</td>
<td>---</td>
</tr>
<tr>
<td>Friend of Immediate Family</td>
<td>13%</td>
<td>78%</td>
<td>---</td>
</tr>
<tr>
<td>Friend of Family</td>
<td>64%</td>
<td>36%</td>
<td>---</td>
</tr>
<tr>
<td>Mutual Benefit</td>
<td>66%</td>
<td>34%</td>
<td>---</td>
</tr>
<tr>
<td>Acquaintance</td>
<td>100%</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Agent</td>
<td>100%</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

Note: The English translations of relationship types are approximations, as Chinese vocabulary provides finer-grained distinctions between relationship types that are not available in English. Clarifications: Immediate Family (i.e. parents) Non-Immediate Family (i.e. 1st uncle), Distant Family (i.e. 2nd cousin).
5.2.3. Pre-Test and De-brief Focus Groups Results

Focus groups Four and Five’s results. In Stage One of the de-brief, participants in Group Four and Group Five concluded that providing responses relative to five intervening points between the anchors of ‘1’ (Acquaintance) and ‘7’ (Immediate family) was highly arbitrary. Hence, participants concurred that inter-rater reliability would likely be weak for this item. Consequently, this item was not advanced for inclusion in pre-internship guanxi scale. Corroborating the findings of the preceding focus groups, participants also identified that interpretation of a number of the relationship types relative to guanxi strength was subjective, due to the highly contextualised personal nature of guanxi relationships, with the exception of immediate family relationships. This ambiguity in linking a relationship category with guanxi strength is captured in the intern participants’ comments, which are paraphrased below:

“My first uncle has the power to help me get an internship position, but he never would.”

“My father’s best friend would do anything he possibly could to help me get an internship position”.

In Stage Two of the debriefing process, participants produced a number of hypothetical contextualised scenarios, introducing additional variables, which would influence the categories of relationship used to obtain an internship position at the host organisation. Sample scenarios generated by participants are provided below:

“My father is a customs official; an acquaintance of my father’s is a manager at this foreign trade firm”.

“My old friend from my home-town is an employee at this company.”

The focus group discussion associated with such scenarios revealed that although in categorical terms the first scenario represents weaker guanxi according to Yang’s (1993) classification its impact with regard to obtaining an internship position would be stronger even though the relationship was more distant. This highlights the
problematic nature of using a stand-alone relationship category to measure guanxi’s impact on outcomes, additionally. This finding also introduces the important influence of the influence/power associated guanxi-helper relative to the host organisation, which shape the outcomes of a particular guanxi relationship.

5.2.4. Study Two: Pre-internship Guanxi Scale, Dynamic Item Generation

5.2.4.1. Sample and Procedures

Sample. Study Two included three focus groups Six, Seven and Eight for which new participants were recruited from the same sampling frame as Study One, although they who had not participated in the preceding focus groups. The sample size of the focus groups was Group Six (n=20), Group Seven (n=20), and Group Eight (n=16). The participants’ mean age was 22.24 years (sd = .32), and 58% of the participants were female.

Scenario method procedures. Study Two was designed to build on the findings of Study One and to generate items related to the dynamic dimension of guanxi, via additional focus groups, followed by judge analysis. In Focus Groups Six, Seven, and Eight, a scenario method was used for the generation of the items associated with the dynamic dimensions of guanxi, similar to that previously used by Chen et al., (2004) for developing their guanxi scale. In Study Two, guanxi relationship scenarios based on themes generated in Study One were presented to participants in Focus Groups Six and Seven. Participants were asked to free-list, on cards provided, the variables that could potentially affect whether the guanxi scenarios would result in a preferential internship position acquisition. This was followed by a constrained pile-sort in which participants were asked to sort the three most important contextual variables affecting guanxi outcomes, relative to the guanxi scenarios provided.

5.2.4.2. Dynamic Item Generation Results

Focus Groups Six, Seven and Eight’s results. Three key variables emerged from the group free-lists and pile-sorts conducted in Study Two. Firstly, the degree of perceived bond with the guanxi-helper was regarded as a key determinant of the outcome of the scenarios provided. Participants concurred that this bond was best
captured in the terms “strength” and “closeness”. Secondly, the degree of “effort” exerted by the guanxi-helper, or alternatively the degree to which they “went out of their way”, was also regarded as a behavioural indicator of the strength of guanxi present. Finally, the degree of the guanxi-helper’s “influence”, relative to the host organisation, which could potentially be exerted on the intern’s behalf, was also regarded as instrumental in determining the outcomes of the scenarios provided. Thus, two items relating to the guanxi-helper’s influence relative to the host organisation were also generated. The total list of items is presented in Table 5.3.

5.2.4.3. Judge Analysis: Pre-internship Guanxi Scale

Judge analysis was utilised as a final check of the face validity of the items generated in both the preceding studies (Wu et al., 2006). Judge analysis in this case refers to an expert panel of twelve academics via e-mail, who had previously published on the subject of guanxi and/or Chinese organisational behaviour, and were recruited via snowball chain or network sampling (Merriam, 1988). Feedback was gathered by loosely following the Delphi technique, with consecutive rounds of feedback combining individual judges’ opinions into a group consensus (McKenna, 1994). A particular strength of this technique is in deriving consensus from a group of experts on a specified topic when information has a subjective component (Brill, Bishop, & Walker, 2006), as in the case with guanxi.

**Judge analysis procedure.** The procedure involved the panel being provided with a description of the target construct, of the study, and the items generated from Study One and Study Two. In the first round, the judges were asked to comment on face validity, and to offer modifications to the items generated in studies One and Two. The responses were returned to the researcher via e-mail. Next, the researcher identified central and extreme tendencies in the responses and implemented the suggested modifications, which were fed back to the expert panel members for a second round. In the second round, the judges were then asked to re-submit their views, assisted by input provided by the researcher regarding the initial round of feedback. On the third and final round, the panel members provided no major modifications or criticisms of items.
5.2.4.4. Results of the Judge Analysis

In the first round of the judge analysis, feedback was provided by judges regarding the draft items measuring the categorical dimension of guanxi. Judges noted that the relationship categories were best suited for use as categorical variables, rather than as continuous variables on an interval scale. The sentiment corresponded with the debrief groups, who also expressed difficulty in gauging the degree of guanxi strength and subsequent outcomes from relationship categories. Additional comments were made concerning the clarification of exactly whose guanxi was being referred to, in order to avoid misinterpretations, which may have affected the validity and reliability of items. However, participants in the previous focus groups of this study had revealed that in the context of this study they had not distinguished between their own or their parents’ guanxi. Nevertheless, to alleviate these concerns, qualifying statements were incorporated within the questionnaire highlighting that intern/parents’ guanxi were regarded as equivalent for the purpose of this study. The judges also concurred on the addition of an item relating to trust with regard to the guanxi-helper. In the third round, only minor modifications were suggested to the final draft of the items to be included in the pilot scale; hence the items’ pre-existing guanxi scale was deemed to have achieved face validity.

5.2.5. Pre-internship Guanxi Pilot-Scale

Prior to composing the final scale, the findings of studies concerning item generation studies were considered relative to the extant literature, prior to preparing the pilot pre-internship guanxi scale.

5.2.5.1. Pre-internship Guanxi Pilot Scale, Categorical Dimension

With regard to the categorical items generated via the free-listing and pile-sorting techniques, categories generated aligned with the relationship categories of Family, Friend, and Acquaintance, proposed in previous work (e.g. Farh et al., 1998; Luo, 1997; Yang, 1994). Additionally, the clusters which emerged using strength/closeness, affection, and mutual benefit as grouping criteria are also supported in the extant literature (Tsang, 1998; Tsui & Farh, 1997). The findings of this study findings diverged from previous categorically orientated work, in that only three of the eleven relationship types could be definitively aligned with guanxi
strength, whereas previous work suggests relatively clear linkages between guanxi strength and categorical relationship proximity to the focal individual (Luo, 1997; Yang, 1997).

Notably, previous categorical work aligned non-immediate family (i.e. first uncle) categories with strong guanxi, as they were based on unconditional obligations, distinguished from weaker, more flexible forms of guanxi, including friendship (Hwang, 1987; Yang, 1993; Zhang & Zhang, 2006), whereas in this study this relationship category did not definitively align with strong guanxi, as asserted in previous work. This lack of clear guanxi strength demarcation between relationship categories may be attributed to the specific characteristics of the sample and target population, as they belong to a relatively homogenous generational cohort, which has been shown to hold less traditional values than the preceding generations of Chinese employees (Gu, Wang, Sun, & Xu, 2010; McEwen, Fang, & Zhang, 2006). Hence, it is plausible that the traditionally prescribed demarcation between relationship categories and associated guanxi strength is less rigidly defined amongst the next generation of Chinese employees.

5.2.5.2. Pre-internship Guanxi Pilot Scale, Dynamic Dimension

Participants in studies One and Two identified the problematic nature of linking relationship categories with tangible outcomes of guanxi, consistent with Chen and Peng’s (Chen & Peng, 2008) distinction of guanxi practices from guanxi relational bases. Specifically, participants in this study emphasised the importance of the dynamic dimension of guanxi for gauging the actual strength of guanxi present. For instance, participants highlighted the degree of effort exerted by the guanxi-helper, on the respondent’s behalf, as indicative of the strength of guanxi present. These sentiments echo that of Lin’s (1999) network-ties research findings within Western contexts, which associate effort with the strength of a network tie. Additionally, participants in this study highlighted the highly contextual nature of guanxi, echoing Bian and Huang’s (2009) assertions regarding the impact of contextual variables on guanxi. A contextual variable of particular importance emerged in this study; the influence/power associated with the guanxi-helper relative to the host organisation. This finding converges with previous studies, suggesting that the influence/power associated with the guanxi was key in determining employment outcomes in China.
(Bian & Ang, 1997; Bian, 1997; Cheung & Gui, 2006). Hence, this study adopted two items from Bian and Ang (1997).

5.2.5.3. Pre-internship Guanxi Pilot Scale Items

The final pre-internship guanxi pilot scale is presented in Table 5.3. This scale combines items developed in studies One and Two with relevant items used in previous studies. These items align with three distinct sub-dimensions of guanxi identified in this study relationship, strength and influence, which form the composite scale of pre-internship guanxi.

**Guanxi relationship.** Firstly, the categorical dimension was measured by the sub-scale guanxi relationships (GR), consisting of one item, GR-1, coupled with weightings from '1' to '3', allocated to relationship types by guanxi strength, as determined by the pile-sorting results reported in Table 5.1. Given that linking the guanxi strength to a categorical relationship produced mixed results in studies One and Two, this sub-scale was limited to one item in the pre-internship guanxi scale.

**Guanxi strength.** Secondly, the dynamic dimension, captured by the sub-scale guanxi strength (GS), consists of five items generated in studies One and Two - items GS-3, GS-4, GS-5 GS-7 and GS-8, one item generated in the judge analysis item - GS-6, and two items adapted from previous studies items GS-1 and GS-2 (Bian & Ang, 1997; Bian, 1994). Given that studies One and Two indicate that the dynamic dimension possessed was most valid for measuring guanxi in the context of this research, this sub-scale was represented by the majority of items in the pre-internship guanxi scale.

**Guanxi influence.** Thirdly, the influence associated with the guanxi-helper, is measured by the sub-scale guanxi influence (GI), and consisted of two items generated in this study; items GI-1 and GI-2. The full pilot pre-internship guanxi scale consisted of ten items. In order to control for order effects, they were randomly ordered in the pilot questionnaire.
Table: 5.3
Pilot Pre-internship Guanxi Scale

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Response Format:</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GR-1.</strong></td>
<td>What was the type of relationship with the <em>guanxi</em>-person who helped you obtain this internship?</td>
<td>Immediate Family (S), Family (S), Distant Family (W), Best friend (M), Friend (W), Friend of Friend (W), Friend of immediate family (M), friend of family (W), mutual benefit, acquaintance (W), agent(W)</td>
<td>(W)=weak guanxi,(M)=moderate guanxi,(S)=strong guanxi</td>
</tr>
<tr>
<td><strong>GS-1.</strong></td>
<td>How important was <em>guanxi</em> in gaining the internship position?</td>
<td>'1' (not important at all) to '7' (extremely important)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-2.</strong></td>
<td>How well did you or your parents know the <em>guanxi</em>-person prior to the internship?</td>
<td>'1' (not at all) to '7' (very well)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-3.</strong></td>
<td>There was a strong relationship with the <em>guanxi</em> person.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-4.</strong></td>
<td>This <em>guanxi</em> person exerted substantial effort to assist me in obtaining my internship position.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-5.</strong></td>
<td>The <em>guanxi</em> person went significantly out of their way to assist me in obtaining this internship position.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-6.</strong></td>
<td>There was a high level of trust with the <em>guanxi</em> person.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GS-7.</strong></td>
<td>There was a close relationship between you and the <em>guanxi</em> person.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GI-1.</strong></td>
<td>The level of influence of the <em>guanxi</em> person’s position was significant, factor in me obtaining this internship position.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
<tr>
<td><strong>GI-2.</strong></td>
<td>This <em>guanxi</em> person has significant influence relative to the internship organisation.</td>
<td>'1' (strongly disagree) to '7' (strongly agree)</td>
<td></td>
</tr>
</tbody>
</table>
5.3. Study Three: Pilot Pre-internship Guanxi Scale, Validation

5.3.1. Sample and Procedures

The participants for the pilot of the pre-internship scale were recruited from a sampling frame provided by departments of business schools within a university located in China’s south-eastern province of Fujian. The sampling frame consisted of recent business school graduates of the business school who had completed an internship; participants in the pilot were not included in previous studies or the main study. Pre-internship guanxi pilot questionnaires were distributed in hard copy during departmental meetings held for students returning to their respective campuses for graduation ceremonies, were collected at the end of the meetings. The pilot questionnaires were distributed to 352 former interns; from these, 227 valid questionnaires were returned, achieving a response rate of 70.04%. Amongst the respondents, 54% of the sample were female, and the mean age of respondents was 22.74 years (sd. = .40).

5.3.2. Pilot Pre-internship Guanxi Scale Validation, Analysis

In order to investigate the psychometric properties of the pilot pre-existing pilot scale, and to further refine its items, Hinkin’s (1998) steps for new scale development were followed. Firstly, the scale items were subjected to a principle components analysis (PCA), the factor loadings and the commonality statistics yielded, were inspected (Ford et al., 1986). Also the inter-item correlations were inspected (Churchill, 1979; Kim & Mueller, 1978), as an indicator of the item’s dimensionality relative to the content domain of pre-internship guanxi. Additionally, the internal reliability of the sub-scales were calculated using Cronbach’s alpha (Cortina, 1993), and then the items were submitted to confirmatory factor analysis (CFA). This allowed for the assessment of the overall factor structure of the guanxi strength subscale via goodness-of-fit (GOF) indices (Gerbing & Anderson, 1988). This process also provided further assessment of the convergent validity of individual items, via the production of factor loadings, modification indices and standardised residuals (Hinkin, 1998). For detail regarding the factor analysis procedures and assessment criteria, see Table 3.5, presented in Chapter 4.
5.3.3. Pilot Pre-internship Guanxi Scale Validation, Results

Principle components analysis (PCA). Prior to conducting the PCA, a preliminary screening of items was conducted. Firstly, inter-item correlations were inspected, in order to establish that all items correlated with at least one of the other items, with a minimum correlation of .40 achieved by all items. One exception was item GS-5, which was identified as a candidate for deletion (Kim & Mueller, 1978). Additionally, no inter-item correlations exceeded .75, indicating that the content domain was not over-sampled, which would artificially inflate subsequent internal reliability estimates (Boyle, 1991). The PCA results, presented in Table 5.4, indicated a two-factor structure cumulatively explaining 58.54% of the total variance. The items associated with guanxi strength (GS) loaded strongly onto the first factor, with the exception of item GS-5, loading weakly at .32, which is less than the .40 criteria for regarding a loading as meaningful (Ford et al., 1986). Cross-loadings exceeding .30 were produced by items GR-1, GI-1, GI-2.

This factor structure is consistent with extant theory and the results of Study One and Study Two. Firstly, as item GR-1 represents the categorical dimension of guanxi, which is a pre-requisite for the dynamic dimensions of guanxi, it can be expected to cross-load across dimensions. With regard to the cross-loadings produced by items GI-1 and GI-2, this is also consistent with the content of these items, as they both gauge the guanxi-helper’s influence. The level of influence can be expected to be partially related to guanxi strength (GS), as stronger guanxi would be required in order to receive a favour from a more powerful guanxi-helper.
Table 5.4  
Principle Components Analysis Pilot Scale

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor-1</th>
<th>Factor-2</th>
</tr>
</thead>
<tbody>
<tr>
<td>GR-1</td>
<td>.61</td>
<td>.52</td>
</tr>
<tr>
<td>GS-1</td>
<td>.70</td>
<td>---</td>
</tr>
<tr>
<td>GS-2</td>
<td>.57</td>
<td>---</td>
</tr>
<tr>
<td>GS-3</td>
<td>.80</td>
<td>---</td>
</tr>
<tr>
<td>GS-4</td>
<td>.71</td>
<td>---</td>
</tr>
<tr>
<td>GS-5</td>
<td>.32</td>
<td>---</td>
</tr>
<tr>
<td>GS-6</td>
<td>.82</td>
<td>---</td>
</tr>
<tr>
<td>GS-7</td>
<td>.84</td>
<td>---</td>
</tr>
<tr>
<td>GI-1</td>
<td>.64</td>
<td>.60</td>
</tr>
<tr>
<td>GI-2</td>
<td>.72</td>
<td>.44</td>
</tr>
</tbody>
</table>

*Note: Values < .30 suppressed*

**Internal reliability analysis.** Assessment of the sub-scales, internal reliability was conducted to corroborate the above PCA’s results outlined in table 5.3. The GS sub-scale yielded an average coefficient alpha of α = .83, and the GI subscale one of α = .83, thereby exceeding Nunnally’s (1976) .70 threshold for demonstration of internal reliability. Additionally, the individual item coefficient alphas were inspected for those below .60, as an indication of a potential threat to the appropriate dimensionality of the scales (Bagozzi et al., 1991). Consistent with their weak factor loadings, items GS-2 and GS-5 produced weak individual coefficient alphas at α = .47 and α = .24 respectively. Given the results of the PCA and internal reliability analysis, item GS-5 was shown to lack convergent validity, with relevant scale items justifying its deletion from the scale, whilst item GS-2 was singled out for greater scrutiny in subsequent CFA analysis.

**Confirmatory factor analysis (CFA).** The results of the CFA conducted on the six-item GS sub-scale are presented in Table 5.5. The scale yielded the following goodness-of-fit indices (χ² = 38.95, df = 9, χ²/df = 4.32, TLI = .92, CFI = .95, RMSEA = .12, SRMR = .04) indicating a poor degree of fit with the data, relative to the fit indices outlined in Table 5.4. Additionally, relatively high modification indices were associated with items GS-1 GS-2, and GS-4, identifying these items as the source of the misspecification (Hildebrandt 1987; Steenkamp & van Trijp 1991). Furthermore, these items achieved relatively weak factor loadings of GS-1 (β = .59), GS-2 (β = .48), and GS-4 (β = .64), indicating a lack of uni-dimensionality relative to the GS sub-scale.
**Scale Refinement.** Both items GS-1 and GS-2, which produced problematic CFA results, were not newly developed for this study; rather they had been adapted from previous studies. Therefore, unlike the new items developed in studies One and Two, the content validity of these items had not been previously established in earlier focus groups, relative to the specific context of this research. The third item yielding poor results was item GS-4, which measures the ‘effort’ exerted by the guanxi-helper. Item GS-5, which also measures effort relative to the extent the guanxi-helper went ‘out of their way’ to help them acquire their internship position, was deleted subsequent to poor PCA results, as both of these last items require respondents to gauge events of which they potentially have no direct knowledge. Hence, gauging this dimension may be largely arbitrary.

<table>
<thead>
<tr>
<th>Table 5.5</th>
<th>Confirmatory Factor Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guanxi Strength Sub Scale</td>
<td></td>
</tr>
<tr>
<td>Item</td>
<td>Factor Loading</td>
</tr>
<tr>
<td>GS-1</td>
<td>.59</td>
</tr>
<tr>
<td>GS-2</td>
<td>.48</td>
</tr>
<tr>
<td>GS-3</td>
<td>.84</td>
</tr>
<tr>
<td>GS-4</td>
<td>.64</td>
</tr>
<tr>
<td>GS-5</td>
<td>---</td>
</tr>
<tr>
<td>GS-6</td>
<td>.84</td>
</tr>
<tr>
<td>GS-7</td>
<td>.85</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GS</th>
<th>$X^2$</th>
<th>df</th>
<th>$X^2$/df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-item</td>
<td>38.95</td>
<td>9</td>
<td>4.32</td>
<td>.92</td>
<td>.95</td>
<td>.12</td>
<td>.04</td>
</tr>
<tr>
<td>3-item</td>
<td>0.00</td>
<td>--</td>
<td>--</td>
<td>1.00</td>
<td>.74</td>
<td>.00</td>
<td></td>
</tr>
</tbody>
</table>

Given these results of the PCA, Reliability Tests, and CFA, items GS-1, GS-2 and GS-4 were deleted from the scale. The re-specified three-item GS scale yielded the following goodness-of-fit indices: $\chi^2 = 0.00$, CFI = 1.00, RMSEA = .74, and SRMR = .00, indicating a high degree of fit to the data. Additionally, the retained items achieved strong item factor loadings at GS-3 ($\beta = .83$), GS-6 ($\beta = .89$) and GS-7 ($\beta = .83$), further supporting the appropriateness of these items for assessing GS. Hence, a final refined six-item scale was produced from the cumulative results of studies One, Two and Three, includes items GR-1, GS-3, GS-6, GS-7, GI-1, and GI-2.
5.4. Summary

Chapter 5 has discussed the steps taken over the three studies to develop and validate a new scale measuring pre-internship guanxi. The scale incorporates both categorical and dynamic dimensions of guanxi, tailored to the specific context of internship position acquisition. The contextualisation of this scale was achieved with the use of focus groups, free-listing, pile-sorting, and scenario activities, thereby insuring that the items contained in the scale were generated from the perspective of the target population. The results of these studies largely converge with the extant literature. However, a potentially unique characteristic of the sample population emerged, as participants had difficulty in linking numerous relationship categories definitively to corresponding degrees of guanxi strength. This finding diverges from prior studies conducted using previous generations of Chinese employees. In the third and final study, the newly developed pre-internship guanxi scale was piloted, validating and further refining the new six-item scale of pre-employment guanxi used in the main study, reported in Chapter 6.
Chapter 6. Main Study’s Results

The preceding chapters detailed the data collection and analysis procedures for the main study and development of the hypothesised model to be tested; the present chapter will outline the results of the main study. The structure of this chapter will follow Anderson and Gerbing’s (1988) two-step approach to SEM. Hence, the chapter will be divided into two major parts; Part One will report the assessment of the measurement model, building on the initial steps taken to establish measurement validity in Chapters 4 and 5, in order to further establish its psychometric properties. Part Two then will test the hypothesised structural model and the closing sections of the chapter provide additional support for the findings, by the evaluation of statistical control, statistical power.

6.1. Part One: Assessment of Measurement Model

6.1.1. Principle Component Analysis and Internal Reliability

One-factor structures. The results of the Principles Component Analysis (PCA) and internal reliability tests conducted on the measurement model are presented in Table 6.1. The PCA reveals the total variance explained in the single-factor structures exceeded Hair’s et al. (1998) target of 60%, with the exception of proactive personality, which achieves 52.42% of the total variance explained. This low total variance explained indicates the potentially inappropriate dimensionality of the proactive personality scale items. Further support for the appropriate dimensionality of the study’s scales was provided by strong individual item loadings, relative to their respective latent variables, all of which exceeded Ford’s et al. (1986) criteria of .40 for judging factor loadings to be meaningful. However, items PAP-1 yielded relatively weak factor loadings at .54, and PAP-4 at .63, identifying them as potential threats to the appropriate dimensionality of the proactive personality scale.

Two-Factor structures. The PCA revealed that the scales of LMX and pre-internship guanxi, had two-factor structures. For the seven-item LMX scale, five items loaded onto the first factor (LMX-F1), and the remaining two items loaded onto the second factor (LMX-F2). This factor structure is consistent with content
meaning implicit in the scale’s items, in that the two items LMX-2 and LMX-3, which load cleanly onto LMX-F2, both explicitly assess potential behavioural outcomes, rather than Leader Member Exchanges’ cognitive and emotional dimensions, which are assessed by the five items loading onto LMX-F1. Given the short tenure of internships, and that data associated with LMX, was gathered eight weeks after the commencement of intern-supervisor relationship, it is plausible that the emotional and cognitive dimensions of Leader Member Exchange developed at the earlier stage of this exchange. Thus, forming, the basis for the consequential behavioural dimensions of Leader Member Exchange, which may manifest themselves more strongly at later stages of the relationship. Therefore, within the context of the short tenure employment context of internships, a two-factor structure rather than a usual one-factor structure for LMX, is consistent with the items’ content.

The six-item pre-internship guanxi scale also revealed a two-factor structure, with four items loading onto the first factor, and two onto the second factor. These results are consistent with the pre-test results and the theoretical justifications of the multidimensional nature of guanxi. As discussed in Chapter 5, as three of the items loading onto the first factor are aligned with guanxi strength (GS). Additionally, the remaining item, loading onto the first factor, represents the guanxi relationship category (GR), which is expected to align with guanxi strength, as the type of relationship forms the basis of guanxi. The second factor of the pre-internship guanxi, consisting of two items aligned with guanxi influence (GI), again is consistent with the measure development findings reported in Chapter 5. In conclusion, given the findings of the PCA coupled with examination of the content of the items associated with each factor, the multi-dimensional composition of Leader Member Exchange, and pre-internship guanxi is supported. Therefore, these variables are modelled as a second-order structure in subsequent analysis (Byrne, 2010; Garver & Mentzer, 1999).

**Internal Reliability.** Subsequent to establishing the appropriate dimensionality of the’ scales though PCA, Cronbach’s alphas were calculated as an indicator of the scales’ internal reliability. All of the scales in this current study achieved average Cronbach’s alphas exceeding Nunnally’s (1976) .70 threshold. To further support
these findings, the individual item coefficient alphas were inspected, with those below .60, regarded as threats to the internal reliability of the relevant scale (Bagozzi et al., 1991). Consistent with their weak factor loadings in the PCA, items PAP-1 and PAP-4 produced individual coefficients alphas of less than .50. Furthermore, items related to other scales also yielded weak individual coefficient alphas: LO-3 (α = .47), GR-1 (α = .45), LMX-6 (α = .48), LMX-7 (α = .45), and IRP-3 (α = .25). Highlighting these items as threats to the convergent validity of their respective scales, especially item IRP-3.

**Scale Refinements.** Following the initial procedures for scale validation PCA and internal reliability analysis, as recommended by Hinkin (1998), this section unearthed a number of potential threats to the appropriate dimensionality. The results of the PCA and reliability tests revealed items PAP-1, IRP-3, and PA-3 posed threats to the appropriate dimensionality of their respective scales. Hence, these items were deleted at this stage of measurement validation. In regards to the other items, which displayed weak convergent validity PAP-4, LMX-6, and LMX-7 they were retained, but highlighted for greater scrutiny in the subsequent CFA, reported in following sections of this chapter.
### Table 6.1
Results, Principal Components Analysis for Latent Variables

<table>
<thead>
<tr>
<th>Proactive Personality (PAP)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP-1. If I see something I don’t like, I fix it.</td>
<td>.55</td>
</tr>
<tr>
<td>PAP-2. No matter the odds, if I believe in something I will make it happen.</td>
<td>.83</td>
</tr>
<tr>
<td>PAP-3. I love being a champion for my ideas, even against others’ opposition.</td>
<td>.75</td>
</tr>
<tr>
<td>PAP-4. I excel at identifying opportunities.</td>
<td>.63</td>
</tr>
<tr>
<td>PAP-5. I am always looking for better ways to do things.</td>
<td>.78</td>
</tr>
<tr>
<td>PAP-6. If I believe in an idea, no obstacle will prevent me from making it happen.</td>
<td>.77</td>
</tr>
<tr>
<td>Explained Variance</td>
<td>52.42%</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>.81</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leader Member Exchange (LMX)</th>
<th>LMX F1</th>
<th>LMX F2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX-1. My supervisor has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.</td>
<td>.65</td>
<td>.82</td>
</tr>
<tr>
<td>LMX-2. Regardless of how much power he/she has built into his/her position, my supervisor would be personally inclined to use his/her power to help me solve problems in my work.</td>
<td>.72</td>
<td>.88</td>
</tr>
<tr>
<td>LMX-3. I can count on my supervisor to “bail me out” even at his or her own expense when I really need it.</td>
<td>.72</td>
<td></td>
</tr>
<tr>
<td>LMX-4. My supervisor understands my problems and needs.</td>
<td>.72</td>
<td></td>
</tr>
<tr>
<td>LMX-5. My supervisor recognizes my potential.</td>
<td>.82</td>
<td></td>
</tr>
<tr>
<td>LMX-6. I usually know where I stand with my supervisor.</td>
<td>.63</td>
<td></td>
</tr>
<tr>
<td>LMX-7. How would you characterize your working relationship with your immediate supervisor?</td>
<td>.67</td>
<td></td>
</tr>
<tr>
<td>Explained Variance</td>
<td>42.97%</td>
<td>16.524%</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>.77</td>
<td>.68</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Learning Opportunities (LO)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>LO-1. My internship provided me with a chance to learn a lot about the field, profession, or business.</td>
<td>.84</td>
</tr>
<tr>
<td>LO-2. My internship taught me a lot of things that I would never have been able to learn in the classroom.</td>
<td>.87</td>
</tr>
<tr>
<td>LO-3. My internship helped me learn many new things.</td>
<td>.73</td>
</tr>
<tr>
<td>Explained Variance</td>
<td>66.55%</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>.74</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In Role Performance (IRP)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRP-1. The internee made a significant contribution to the overall performance of their work unit.</td>
<td>.90</td>
</tr>
<tr>
<td>IRP-2. The internee always completes job assignments on time.</td>
<td>.90</td>
</tr>
<tr>
<td>IRP-3. The internee is one of the better newcomer employees I have supervised.</td>
<td>.85</td>
</tr>
<tr>
<td>IRP-4. The internee’s performance always meets my expectations.</td>
<td>.87</td>
</tr>
<tr>
<td>Explained Variance</td>
<td>78.66%</td>
</tr>
<tr>
<td>Cronbach’s Alpha</td>
<td>.82</td>
</tr>
</tbody>
</table>
**Internship Satisfaction (INSAT)**

| INSAT-1. Generally speaking, I was very satisfied with my internship. | .92 |
| INSAT-2. I frequently thought of extending my internship time. | .89 |
| INSAT-3. I was generally satisfied with the kind of work I did during my internship. | .89 |

**Explained Variance**

- 81.39%
- Cronbach’s Alpha: .83

**Pre-internship Guanxi (PG)**

| GR-1. What was the type of relationship with the guanxi person who helped you get this internship? | .77 |
| GS-3. There was a strong relationship between you/your parents and the guanxi person. | .81 |
| GS-6. There was a high level of trust between you/you parents and the guanxi person. | .69 |
| GS-7. There was a close relationship between you/your parents and the guanxi person. | .83 |
| GI-1. The level of influence of the guanxi person’s position was significant, factor in me obtaining this internship position. | .93 |
| GI-2. This guanxi person has significant influence relative to the internship organisation. | .86 |

**Explained Variance**

- 57.12%
- Cronbach’s Alpha: .83

Cronbach’s Alpha: .83

Notes: n=303 intern-supervisor dyads, all estimates are standardised

### 6.1.2. Confirmatory Factor Analysis

The Confirmatory Factor Analysis (CFA) performed on the whole measurement model builds on the results of section 6.3.1, further demonstrating the scale’s convergent validity. The results of the CFA, conducted simultaneously on all of the study variables is presented in Table 6.1. These results further corroborate the convergent validity of the study’s measurement model, yielding goodness-of-fit indices indicating that the measurement model’s structure fits the data well ($\chi^2 = 633.10$, df = 326, $\chi^2$/df = 1.94, TLI = .93, CFI = .94, RMSEA = .06, SRMR = .05). Additionally, all items in the model achieved factor loadings in excess of .50, indicating that items were measuring the appropriate latent variable (Steenkamp & van Trijp 1991).

Additionally, modification indices and standardised residuals were inspected for potential sources of model misspecification. A high modification indices of 23.52, was associated with items PAP-4 and PAP-5. Given that item PAP-4 also performed
poorly in Section 6.3.1 and had a relatively weak CFA factor loading at $\beta = .54$, this item was deleted from the proactive personality scale. Item, LMX-6 also yielded a weak CFA factor loading at $\beta = .54$, also echoing its poor performance in Section 6.3.1; thus this item was also removed. The re-specified model, with items PAP-4 and LMX-6 removed, yielded the following goodness-of-fit, which shows a marginal improvement in model fit ($\chi^2 = 526.42$, $df = 275$, $\chi^2/df = 1.91$, TLI = .94, CFI = .95, RMSEA = .06, SRMR = .05).

Table 6.2
Confirmatory Factor Analysis for Latent Variables

<table>
<thead>
<tr>
<th>Proactive Personality (PAP)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP-2. No matter the odds, if I believe in something I will make it happen.</td>
<td>.74</td>
</tr>
<tr>
<td>PAP-3. I love being a champion for my ideas, even against others opposition.</td>
<td>.69</td>
</tr>
<tr>
<td>PAP-4. I excel at identifying opportunities.</td>
<td>.54</td>
</tr>
<tr>
<td>PAP-5. I am always looking for better ways to do things.</td>
<td>.73</td>
</tr>
<tr>
<td>PAP-6. If I believe in an idea, no obstacle will prevent me from making it happen.</td>
<td>.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leader Member Exchange (LMX)</th>
<th>LMX F1</th>
<th>LMX F2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX-1. My supervisor has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.</td>
<td>.62</td>
<td>.84</td>
</tr>
<tr>
<td>LMX-2. Regardless of how much power he/she has built into his/her position, my supervisor would be personally inclined to use his/her power to help me solve problems in my work.</td>
<td></td>
<td>.64</td>
</tr>
<tr>
<td>LMX-3. I can count on my supervisor to “bail me out” even at his or her own expense when I really need it.</td>
<td>.70</td>
<td></td>
</tr>
<tr>
<td>LMX-4. My supervisor understands my problems and needs.</td>
<td>.81</td>
<td></td>
</tr>
<tr>
<td>LMX-5. My supervisor recognizes my potential.</td>
<td>.50</td>
<td></td>
</tr>
<tr>
<td>LMX-6. I usually know where I stand with my supervisor.</td>
<td>.65</td>
<td></td>
</tr>
<tr>
<td>LMX-7. How would you characterize your working relationship with your immediate supervisor?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Learning Opportunities (LO)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>LO-1. My internship provided me with a chance to learn a lot about the field, profession, or business.</td>
<td>.72</td>
</tr>
<tr>
<td>LO-2. My internship taught me a lot of things that I would never have been able to learn in the classroom.</td>
<td>.87</td>
</tr>
<tr>
<td>LO-3. My internship helped me learn many new things.</td>
<td>.55</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In Role Performance (IRP)</th>
<th>F1</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRP-1. The internee made a significant contribution to the overall performance of their work unit.</td>
<td>.79</td>
</tr>
<tr>
<td>IRP-2. The internee always completes job assignments on time.</td>
<td>.81</td>
</tr>
</tbody>
</table>
The internee’s performance always meets my expectations.

**Internship Satisfaction (INSAT)**

| INSAT-1. Generally speaking, I was very satisfied with my internship. | .91 |
| INSAT-2. I frequently thought of extending my internship time. | .80 |
| INSAT-3. I was generally satisfied with the kind of work I did during my internship. | .84 |

**Pre-internship guanxi (PG)**

| GR-1. What was the type of relationship with the guanxi person who helped you get this internship? | .79 |
| GS-3. There was a strong relationship between you/your parents and the guanxi person. | .92 |
| GS-6. There was a high level of trust between you/your parents and the guanxi person. | .96 |
| GS-7. There was a close relationship between you/your parents and the guanxi person. | .92 |
| GI-1. The level of influence of the guanxi person’s position was significant, factor in me obtaining this internship position. | .94 |
| GI-2. This guanxi person has significant influence relative to the internship organisation. | .92 |

Notes: n=303 supervisor-intern dyads; all estimates are standardised.

### 6.1.3. Results, Divergent Validity Assessment

**Bivariate correlations.** The preceding sections 6.3.1 and 6.3.2 established the convergent validity of items used in this study relevant to their respective scales. This section provides evidence of discriminant validity between measures in the study, firstly reporting the results of the bivariate correlations between substantive latent variables presented in Table 6.3. All correlations yielded are below the recommended threshold of .70, hence providing an initial indication that discriminant validity exists between measures in this study (Ping, 2004).

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Proactive Personality</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
</tr>
<tr>
<td>2. LMX</td>
<td>__</td>
<td>.45**</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
</tr>
<tr>
<td>3. Learning Opportunities</td>
<td>__</td>
<td>.28**</td>
<td>.47**</td>
<td>__</td>
<td>__</td>
<td>__</td>
<td>__</td>
</tr>
<tr>
<td>4. In-Role Performance</td>
<td>__</td>
<td>.41**</td>
<td>.56**</td>
<td>.42**</td>
<td>__</td>
<td>__</td>
<td>__</td>
</tr>
<tr>
<td>5. Internship Satisfaction</td>
<td>__</td>
<td>.30**</td>
<td>.51**</td>
<td>.48**</td>
<td>.53**</td>
<td>__</td>
<td>__</td>
</tr>
<tr>
<td>6. Intention to Convert</td>
<td>__</td>
<td>.14**</td>
<td>.27**</td>
<td>.22**</td>
<td>.21**</td>
<td>.38**</td>
<td>__</td>
</tr>
<tr>
<td>7. Pre-employment guanxi</td>
<td>__</td>
<td>-.04</td>
<td>-.04</td>
<td>-.06</td>
<td>-.03</td>
<td>.15*</td>
<td>.02</td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001
**Model fit comparisons.** Additional support for the presence of discriminant validity in this study is provided, with the testing of six models with alternative factor structures, contrasted with the baseline seven-factor measurement model used in the study. The results are presented in Table 6.4 along with the detail of the alternative factor structures constituting competing models. All of the alternative nested models showed highly significant chi-square difference tests at p < .001, relative to the baseline model. This result supports the validity of the proposed seven-factor measurement model, and discriminant validity between the variables in the current study, as advised by Byrne (2010).
### Table 6.4
Measurement Model Fit Results for Confirmatory Factor Analysis

<table>
<thead>
<tr>
<th>Models</th>
<th>χ²</th>
<th>df</th>
<th>∆χ²</th>
<th>∆ df</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1 (7 factor)</td>
<td>526.42</td>
<td>275</td>
<td>___</td>
<td>___</td>
<td>.94</td>
<td>.95</td>
<td>.06</td>
<td>.05</td>
</tr>
<tr>
<td>Model 2 (6 factor)</td>
<td>804.01</td>
<td>283</td>
<td>277</td>
<td>18</td>
<td>.87</td>
<td>.88</td>
<td>.08</td>
<td>.07</td>
</tr>
<tr>
<td>Model 3 (5 factor)</td>
<td>1402.36</td>
<td>289</td>
<td>875</td>
<td>14</td>
<td>.73</td>
<td>.76</td>
<td>.13</td>
<td>.18</td>
</tr>
<tr>
<td>Model 4 (5 factor)</td>
<td>1100.15</td>
<td>288</td>
<td>573</td>
<td>13</td>
<td>.81</td>
<td>.83</td>
<td>.10</td>
<td>.08</td>
</tr>
<tr>
<td>Model 5 (3 factor)</td>
<td>1338.54</td>
<td>295</td>
<td>812</td>
<td>20</td>
<td>.76</td>
<td>.78</td>
<td>.12</td>
<td>.08</td>
</tr>
<tr>
<td>Model 6 (1 factor)</td>
<td>3253.92</td>
<td>299</td>
<td>2727</td>
<td>24</td>
<td>.32</td>
<td>.37</td>
<td>.19</td>
<td>.18</td>
</tr>
</tbody>
</table>

Notes: All ∆χ² difference tests were significant at ***p<.001
All models contrasted with Model-6.
Model-1,7 factor model, baseline measurement model
Model-2,6 factor model, combining LMX, PAP
Model-3,5 factor model combining LMX, PG and INTSTAY
Model-4,5 factor model combining LMX, PAP and INSAT
Model-5,3 factor model combining LMX, PAP, INSAT, LO, IRP
Model-6,1 factor model combining all variables

### Table 6.5
Chi-Square Differences, for Constrained vs. Un-constrained Models

<table>
<thead>
<tr>
<th>Paired Latent Variables</th>
<th>∆χ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX↔LO</td>
<td>134.97</td>
</tr>
<tr>
<td>LMX↔INSAT</td>
<td>72.93</td>
</tr>
<tr>
<td>LMX↔IRP</td>
<td>55.61</td>
</tr>
<tr>
<td>LMX↔INTSTAY</td>
<td>227.40</td>
</tr>
<tr>
<td>LMX↔PAP</td>
<td>96.69</td>
</tr>
<tr>
<td>LMX↔PG</td>
<td>115.02</td>
</tr>
<tr>
<td>LO↔INSAT</td>
<td>281.22</td>
</tr>
<tr>
<td>LO↔IRP</td>
<td>336.23</td>
</tr>
<tr>
<td>LO↔INTSTAY</td>
<td>153.14</td>
</tr>
<tr>
<td>LO↔PAP</td>
<td>437.36</td>
</tr>
<tr>
<td>LO↔PG</td>
<td>313.10</td>
</tr>
<tr>
<td>INSAT↔IRP</td>
<td>352.50</td>
</tr>
<tr>
<td>INSAT↔INSTAY</td>
<td>187.00</td>
</tr>
<tr>
<td>INSAT↔PAP</td>
<td>601.87</td>
</tr>
<tr>
<td>INSAT↔PG</td>
<td>363.60</td>
</tr>
<tr>
<td>INSTAY↔IRP</td>
<td>204.74</td>
</tr>
<tr>
<td>INSTAY↔PAP</td>
<td>240.91</td>
</tr>
<tr>
<td>INSTAY↔PG</td>
<td>60.93</td>
</tr>
<tr>
<td>IRP↔PAP</td>
<td>467.57</td>
</tr>
<tr>
<td>IRP↔PG</td>
<td>361.86</td>
</tr>
<tr>
<td>PAP↔PG</td>
<td>322.76</td>
</tr>
</tbody>
</table>

Note: All ∆df = 2
All ∆χ² difference tests significant at ***p < .001
Paired Models. In order to provide further evidence of discriminant validity in the study’s measures, nested chi-squared difference tests were performed between pairings of all the study’s latent variables, constrained then un-constrained, presented in Table 6.6 as recommended by Bryne (2010). These tests produced significant chi-square differences at $p = < .001$ level, thus providing further evidence of discriminant validity between measures of all latent variables (Anderson & Gerbing, 1988; Byrne, 2010).

6.1.4. Common-Method Variance

Harman’s single-factor test. As outlined in detail in chapter 3 of this thesis, Common method bias is a threat to the validity of the study’s findings. Hence, Harman’s single-factor test was performed to alleviate concerns regarding the presence of common-method variance (CMV). The test revealed eight factors, and no ‘general’ factor was revealed, and the single largest factor did not account for a majority of the total variance explained at 22.62%. Podsakoff et al. (2003), only requires that one of these conditions be present to mitigate concerns of CMV, the fact that this study fulfils both requirements, indicates that common-method bias does not pose a substantial threat to the validity of the current study’s findings.

6.2. Part Two: Assessment of the Hypothesised Structural Model

Part One of this chapter established the sound psychometric properties of the measurement model used in this study, thereby, allowing greater confidence in the results of the structural equation modelling (SEM) reported in this section of the chapter. The results of SEM conducted to test the study’s hypothesised model, presented in Figure 6.1, revealed a good overall fit of the hypothesised model, with all goodness-of-fit indices meeting the previously established criteria ($\chi^2 = 722.7$, df = 334, $p = .000$, $\chi^2$/df = 2.1, TLI = .91, CFI = .92, RMSEA = .06, SRMR = .07). Additionally, the significant paths coefficients yielded between the latent variables indicated relationships in the hypothesised directions, with eleven of the thirteen hypotheses proposing direct relationships achieving support, the results are presented in Table 6.7.
<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Abbreviated Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>An intern’s proactive personality is positively related to the quality of intern-supervisor, leader-member exchange (LMX). PAP ➔ LMX</td>
</tr>
<tr>
<td>H2</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) is positively related to an intern’s learning opportunities. LMX ➔ LO</td>
</tr>
<tr>
<td>H3</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern in-role performance. LMX ➔ IRP</td>
</tr>
<tr>
<td>H4</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) is positively related to internship satisfaction. LMX ➔ INSAT</td>
</tr>
<tr>
<td>H5</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) is positively related to intern intention to convert to regular employment with the host organisation. LMX ➔ INTCOV</td>
</tr>
<tr>
<td>H6</td>
<td>The quality of intern-supervisor, Leader Member Exchange (LMX) is positively related to the supervisor’s intention to convert the intern. LMX ➔ INTEMP</td>
</tr>
<tr>
<td>H7a</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their learning opportunities. PAP ➔ (LMX) ➔ LO</td>
</tr>
<tr>
<td>H7b</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and their in-role performance. PAP ➔ (LMX) ➔ IRP</td>
</tr>
<tr>
<td>H7c</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and internship satisfaction. PAP ➔ (LMX) ➔ INSAT</td>
</tr>
<tr>
<td>H7d</td>
<td>The quality of intern-supervisor, leader-member exchange (LMX) mediates the relationship between the interns’ proactive personality and the supervisors’ intention to employ them. PAP ➔ (LMX) ➔ INTEMP</td>
</tr>
<tr>
<td>H8</td>
<td>The learning opportunities experienced by interns are positively related to their internship satisfaction. LO ➔ INSAT</td>
</tr>
<tr>
<td>H9</td>
<td>The learning opportunities interns experience are positively related to their intention to convert into employment with the host organisation. LO ➔ INTCOV</td>
</tr>
<tr>
<td>H10</td>
<td>The interns’ level of internship satisfaction is positively related to their in-role performance. INSAT ➔ IRP</td>
</tr>
<tr>
<td>H11</td>
<td>The interns’ level of internship satisfaction is positively related to their intention to convert into employment with the host organisation. INSAT ➔ INTCOV</td>
</tr>
<tr>
<td>H12</td>
<td>The interns’ intention to convert to regular employment with their host organisation is positively related to their actual conversion to regular employment with the host organisation. INTCOV ➔ EMPLOY</td>
</tr>
<tr>
<td>H13</td>
<td>The interns’ in-role performance is positively related to their supervisor’s intention to convert them. IRP ➔ INTEMP</td>
</tr>
<tr>
<td>H14</td>
<td>The supervisor’s intention to employ an intern is positively related to the intern’s actual conversion into regular employment with the host organisation. INTEMP ➔ EMPLOY</td>
</tr>
<tr>
<td>H15</td>
<td>The interns’ pre-internship guanxi with the host organisation is positively related to their actual conversion into regular employment with the host organisation. PG ➔ EMPLOY</td>
</tr>
</tbody>
</table>
6.2.1. Results, Hypothesised Direct Effects

**Hypotheses H1 to H5.** The hypothesised antecedent role of proactive personality relative to LMX was supported by the data as the paths representing H1 yielded highly significant relationships coupled with a strong parameter estimates estimate ($\beta = .60, p < .000$). Additionally, the data provided strong support for the hypothesised antecedent role of LMX in the model, relative to Learning Opportunities, In-role Performance and Internship Satisfaction with the respective hypotheses producing the following results: H2 ($\beta = .62, p < .000$), H3 ($\beta = .59, p < .000$) and H4 ($\beta = .55, p < .000$). However, the hypothesised predictive role of LMX relative to Intention to Convert was not supported, as the associated path yielded a weak insignificant link H5 ($\beta = .19, p < .108$).

**Hypotheses H8 to H11.** Although the hypothesised relationship of Learning Opportunities and Internship Satisfaction was supported by the data it produced a weaker path coefficient and significance level relative to a majority of the other supported hypotheses in the model; H8 ($\beta = .21, p < .012$). In regards to the hypothesised relationship between Learning Opportunities and Intention to Convert, no support was provided by the data, as a highly insignificant path was produced; H9 ($\beta = -.07, p = .398$). Thus, the influence of Learning Opportunities was less substantial than that of a majority of the other antecedents in the hypothesised model. In relation to the antecedent role of Internship Satisfaction, its positive relationship with In-role Performance was supported; H10 ($\beta = .22, p < .013$), and a stronger positive relationship with Intention to Convert; H11 ($\beta = .31, p < .000$).

**Hypotheses H12 to H14.** The hypothesised positive relationship between In-role Performance and Intention To Convert was conclusively rejected by the data; H12 ($\beta = .17, p < .000$), whereas Intention to Convert was revealed to have an important role in predicting Actual Conversion into Employment with the host organisation after graduation, with the data providing strong support for this hypothesis; H13 ($\beta = .50, p < .000$). In addition support was provided for the positive link between Intention to Convert and Actual Conversion into Employment; H14 ($\beta = .17, p < .005$). The data also supported the final hypothesised direct relationship, proposing a positive link
between Pre-internship Guanxi and Actual Conversion into Employment; H15 (β =19, p < .007)

In summary, analysis of the data supported eleven of the fourteen hypotheses proposing direct effects, a majority of which gained strong support, evidenced by both their significance level and path coefficients, with six of the hypotheses significant at p < .000. Further support for the hypothesised paths is provided in the critical ratios achieved by the supported hypotheses presented in Table 6.7.

Table 6.7
Direct Effects of the Hypothesised Structural Model

<table>
<thead>
<tr>
<th>Path</th>
<th>β</th>
<th>S.E</th>
<th>C.R</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 PAP → LMX</td>
<td>.60</td>
<td>.06</td>
<td>7.96</td>
<td>***</td>
</tr>
<tr>
<td>H2 LMX → LO</td>
<td>.62</td>
<td>.08</td>
<td>7.37</td>
<td>***</td>
</tr>
<tr>
<td>H3 LMX → IRP</td>
<td>.59</td>
<td>.12</td>
<td>5.14</td>
<td>***</td>
</tr>
<tr>
<td>H4 LMX → INSAT</td>
<td>.55</td>
<td>.12</td>
<td>5.55</td>
<td>***</td>
</tr>
<tr>
<td>H5 LMX → INTOCOV</td>
<td>.19</td>
<td>.11</td>
<td>1.60</td>
<td>.108</td>
</tr>
<tr>
<td>H6 LMX → INTOEMP</td>
<td>.35</td>
<td>.19</td>
<td>2.49</td>
<td>.013</td>
</tr>
<tr>
<td>H8 L0 → INSAT</td>
<td>.21</td>
<td>.99</td>
<td>2.53</td>
<td>.124</td>
</tr>
<tr>
<td>H9 LO → INTOCOV</td>
<td>-.07</td>
<td>.17</td>
<td>-.84</td>
<td>.398</td>
</tr>
<tr>
<td>H10 INSAT → IRP</td>
<td>.22</td>
<td>.08</td>
<td>2.47</td>
<td>.013</td>
</tr>
<tr>
<td>H11 INSAT → INTOCOV</td>
<td>.31</td>
<td>.15</td>
<td>3.34</td>
<td>***</td>
</tr>
<tr>
<td>H12 IRP → INTOEMPL</td>
<td>-.05</td>
<td>.07</td>
<td>-.41</td>
<td>.685</td>
</tr>
<tr>
<td>H13 INTOCOV → EMPL</td>
<td>.50</td>
<td>.02</td>
<td>8.61</td>
<td>***</td>
</tr>
<tr>
<td>H14 INTOEMPL → EMPL</td>
<td>.17</td>
<td>.01</td>
<td>2.84</td>
<td>.005</td>
</tr>
<tr>
<td>H15 PG → EMPL</td>
<td>.19</td>
<td>.01</td>
<td>2.68</td>
<td>.007</td>
</tr>
</tbody>
</table>

Notes: *p < .05, ** p < .01, ***p < .001, β standardised

Squared multiple correlations. Further support for the direct effects included in the hypothesised model is provided by the squared multiple correlations (SMC) for the endogenous variables presented in Table 6.8. Proactive personality as a single predictor accounted for 36% of the variance associated with Leader Member Exchange. In turn, Leader Member Exchange as a single predictor accounted for 39% of the variance in Learning Opportunities. Learning Opportunities and Leader Member Exchange cumulatively account for a relatively high 48% of the variance in Internship Satisfaction. The two antecedents of Leader Member Exchange and Internship Satisfaction account for 58% of In-role Performance’s variance. In regards to Intention to Convert, the three predictors of Learning Opportunities, LMX and Intern Satisfaction account for 17% of the variance explained. A low relative SMC
Intention to Convert with 10% of the variance for accounted for by its predictors, In-role Performance and LMX. Finally, the three predictors of Actual Conversion into Employment, Intention to Convert, Intention to Convert and Pre-internship Guanxi accounted for 33% of its variance. Thus, with the exception of the relatively weak SMC yielded associated with Intention to Employ, further support for the hypothesised model was provided by the SMCs yielded.

Table 6.8
Squared multiple correlations for endogenous variables

<table>
<thead>
<tr>
<th>Endogenous Variable</th>
<th>$r^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader-Member Exchange</td>
<td>.36</td>
</tr>
<tr>
<td>Learning Opportunities</td>
<td>.39</td>
</tr>
<tr>
<td>In Role Performance</td>
<td>.58</td>
</tr>
<tr>
<td>Internship Satisfaction</td>
<td>.48</td>
</tr>
<tr>
<td>Intern’s Intention to Convert</td>
<td>.17</td>
</tr>
<tr>
<td>Supervisor’s Intention to Convert</td>
<td>.10</td>
</tr>
<tr>
<td>Actual Conversion</td>
<td>.34</td>
</tr>
</tbody>
</table>
Figure 6.1
Standardised Path Coefficients for Hypothesised Structural Models

*p < .05, **p < .01, ***p < .001
6.2.2. Results Mediated Hypotheses

**Hypotheses H7a to H7d.** The date strongly supported the mediated hypotheses H7a to H7d. Following Baron and Kenny’s (1986) procedure for testing mediation, presented in Tables 6.9 and 6.10, the results indicate the non-mediated model yielded a decrease in goodness-of-fit relative to the hypothesised mediated model ($\chi^2 = 491.50, df = 164, p = .000, CFI = .88, TLI = .86, RMSEA = .08, SRMR = .09$). This was accompanied with significant paths from Proactive Personality to the endogenous variables of Learning Opportunities ($\beta = .56, p < .000$), Intention to Convert ($\beta = .24 p < .000$) In-role Performance ($\beta = .71 p < .000$), and Internship Satisfaction ($\beta = .61, p < .000$), thereby satisfying the first condition of mediation. The second condition of mediation was previously established in the above Section 6.4.4. As in this section, reporting the statistically significant direct paths between the mediator (LMX) and the dependent variables included in the mediated hypotheses, with the exception of Intention to Convert.

Further support for the mediated hypotheses is provided by the partially mediated model’s goodness-of-fit indices, which are largely equivalent with the hypothesised fully mediated model ($\chi^2 = 316.74, df = 160, p = .000, CFI = .94, TLI = .93, RMSEA = .06, SRMR = .05$). The chi-square difference test produced non-statistically significant improvement in model fit between the fully and partially mediated models two ($\Delta \chi^2 = 6.86, \Delta df = 4$). Furthermore, three of the partially-mediated direct paths between Proactive Personality and the relevant endogenous variables, which were strongly significant at the level of $p < .000$ in the non-mediated model, became insignificant in the partially mediated model; Learning Opportunities ($\beta = -.11, p = .249$), to Intention to Convert ($\beta = -.07, p = .435$), and to In-role Performance ($\beta = .02, p = .852$), whilst the path to Internship Satisfaction became negative ($\beta = -.02, p = .050$). Thus, the fourth condition supporting the fully mediating role of LMX in the model is supported by the data H7a to H7d is supported by the data.
Table 6.9
Direct effects for partially vs. fully mediated models

<table>
<thead>
<tr>
<th>Paths</th>
<th>β</th>
<th>S.E</th>
<th>C.R</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partially Mediated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAP → LO</td>
<td>-.11</td>
<td>.08</td>
<td>-1.15</td>
<td>.249</td>
</tr>
<tr>
<td>PAP → INTEMP</td>
<td>-0.07</td>
<td>.05</td>
<td>-.78</td>
<td>.435</td>
</tr>
<tr>
<td>PAP → IRP</td>
<td>.02</td>
<td>.08</td>
<td>.186</td>
<td>.852</td>
</tr>
<tr>
<td>PAP → INSAT</td>
<td>-.20</td>
<td>.09</td>
<td>-1.96</td>
<td>.050</td>
</tr>
<tr>
<td>Non-Mediated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAP → LO</td>
<td>.56</td>
<td>.08</td>
<td>6.15</td>
<td>***</td>
</tr>
<tr>
<td>PAP → INTEMP</td>
<td>.24</td>
<td>.03</td>
<td>3.68</td>
<td>***</td>
</tr>
<tr>
<td>PAP → IRP</td>
<td>.71</td>
<td>.08</td>
<td>8.09</td>
<td>***</td>
</tr>
<tr>
<td>PAP → INSAT</td>
<td>.61</td>
<td>.08</td>
<td>7.43</td>
<td>***</td>
</tr>
</tbody>
</table>

Table 6.10
Structural equation modelling for models, determining indirect effects

<table>
<thead>
<tr>
<th>Models</th>
<th>χ²</th>
<th>df</th>
<th>Δχ²</th>
<th>Δ df</th>
<th>CFI</th>
<th>TLI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully mediated</td>
<td>323.6</td>
<td>164</td>
<td></td>
<td></td>
<td>.94</td>
<td>.93</td>
<td>.06</td>
<td>.06</td>
</tr>
<tr>
<td>Partially mediated</td>
<td>316.74</td>
<td>160</td>
<td>6.86</td>
<td>4</td>
<td>.94</td>
<td>.93</td>
<td>.06</td>
<td>.05</td>
</tr>
<tr>
<td>Non-mediated</td>
<td>491.50</td>
<td>164</td>
<td>167***</td>
<td>0</td>
<td>.88</td>
<td>.86</td>
<td>.08</td>
<td>.09</td>
</tr>
</tbody>
</table>

Note: All alternative models were compared with the hypothesised model. Tucker-Lewis index (TLI), Comparative Fit Index (CFI), Root-Mean-Square Error of Approximation (RMSEA), Standardized Root Mean Square Residual (SRMR)
**Bootstrap-generated bias-corrected confidence intervals.** Further, support for the fully-mediated model was provided by the results of the bootstrap-generated bias-corrected confidence intervals, as recommended by (Cheung & Lau, 2008). In this analysis, the path coefficients of the direct path from the independent variable to the mediator and the direct path from the mediator to the dependent variable were produced with bootstrapping methods to achieve the confidence intervals presented in Table 6.11. These bootstrapped results corroborated the presence of the hypothesised indirect effects of Proactive Personality through LMX, to Learning Opportunities H7a ($\beta = .37$, 95% CI = .21 to .56), IRP, to In-role Performance H7b ($\beta = .45$, 95% CI = .27 - .66) to Internship Satisfaction H7c ($\beta = .53$, 95% CI = .31 to .80) and to Intention to Convert ($\beta = .09$, 95% CI = .04 to .16). All of the indirect effects were significant at the level $p = < .01$, providing further support for the four mediated hypotheses in this study.

<table>
<thead>
<tr>
<th>Mediated Hypothesis</th>
<th>Indirect effect</th>
<th>S.E</th>
<th>95% Confidence intervals</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>H7a. PAP $\rightarrow$ LMX $\rightarrow$ LO</td>
<td>.37</td>
<td>.09</td>
<td>.21-.56</td>
<td>.002</td>
</tr>
<tr>
<td>H7b. PAP $\rightarrow$ LMX $\rightarrow$ IRP</td>
<td>.45</td>
<td>.09</td>
<td>.27-.66</td>
<td>.001</td>
</tr>
<tr>
<td>H7c. PAP $\rightarrow$ LMX $\rightarrow$ INSAT</td>
<td>.53</td>
<td>.13</td>
<td>.31-.80</td>
<td>.002</td>
</tr>
<tr>
<td>H7d. PAP $\rightarrow$ LMX $\rightarrow$ INTEMP</td>
<td>.09</td>
<td>.03</td>
<td>.04-.16</td>
<td>.003</td>
</tr>
</tbody>
</table>

Note: Standardised estimates are shown; 1000 bootstraps were used; Two-tailed significance.

*p < .05, **p < .01, ***p < .001

6.2.3. Model Re-specification

In order to address the issue of model parsimony, Bryne (2010) recommends the removal of statistically insignificant paths summarised in table 6.12, from the structural model, and the re-estimation of the model excluding these paths. Therefore, the model was re-run excluding the insignificant paths associated with unsupported hypotheses H5, H9 and, H12. The re-specified model yielded the following goodness-of-fit indices, ($\chi^2 = 725.6$, df = 337, $p = .000$, $\chi^2$/df = 2.15, TLI
= .91, CFI = .92, RMSEA = .06, SRMR = .07) indicating a consistent model fit with the hypothesised model. The fifteen retained hypothesised paths all remained significant, with only marginal changes of .01 or less in standardised parameter estimates and squared multiple correlations. The largely unchanged goodness of fit indices indicate that model re-specification via the removal of insignificant paths was appropriate (Diamantopoulos & Siguaw, 2000).

**Table 6.12**

**Summary of the Hypotheses’ Results**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>PAP → LMX</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>LMX → LO</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>LMX → IRP</td>
<td>Supported</td>
</tr>
<tr>
<td>H4</td>
<td>LMX → INSAT</td>
<td>Supported</td>
</tr>
<tr>
<td>H5</td>
<td>LMX → INTCOV</td>
<td>Rejected</td>
</tr>
<tr>
<td>H6</td>
<td>LMX → INTEMP</td>
<td>Supported</td>
</tr>
<tr>
<td>H7a</td>
<td>PAP → (LMX) → LO</td>
<td>Supported</td>
</tr>
<tr>
<td>H7b</td>
<td>PAP → (LMX) → IRP</td>
<td>Supported</td>
</tr>
<tr>
<td>H7c</td>
<td>PAP → (LMX) → INSAT</td>
<td>Supported</td>
</tr>
<tr>
<td>H7d</td>
<td>PAP → (LMX) → INTEMP</td>
<td>Supported</td>
</tr>
<tr>
<td>H8</td>
<td>LO → INSAT</td>
<td>Supported</td>
</tr>
<tr>
<td>H9</td>
<td>LO → INTCOV</td>
<td>Rejected</td>
</tr>
<tr>
<td>H10</td>
<td>INSAT → IRP</td>
<td>Supported</td>
</tr>
<tr>
<td>H11</td>
<td>INSAT → INTCOV</td>
<td>Supported</td>
</tr>
<tr>
<td>H12</td>
<td>IRP → INTEMPL</td>
<td>Rejected</td>
</tr>
<tr>
<td>H13</td>
<td>INTCOV → EMPL</td>
<td>Supported</td>
</tr>
<tr>
<td>H14</td>
<td>INTEMPL → EMPL</td>
<td>Supported</td>
</tr>
<tr>
<td>H15</td>
<td>PG → EMPL</td>
<td>Supported</td>
</tr>
</tbody>
</table>
6.2.4. Results and Statistical Control

The need for controls was discussed in Chapter 3 along with the theoretical justifications for the inclusion of individual control variables. As noted in Chapter 3, the inclusion of unsubstantiated control variables is not advisable (Antic et al., 2012; Becker, 2005), as the improper selection of control variables in a model may bias the results of a study (Spector & Brannick, 2010). Thus, in addition to the theoretical justifications previously provided, screening of control variables will be conducted by inspecting the bivariate correlations between control and substantive variables (Becker, 2005). Only control variables with significant correlations coupled with theoretical support will be included in the structural model, to test for the presence of significant direct effects (Antic et al., 2012; Spector & Brannick, 2010; Vieira, 2011).

The correlation matrix, including variables representing the hypothesised model’s substantive variables and the control variables, is presented in Table 6.13. A number of significant relationships involving control variables, consistent with the theory outlined in Chapter 3, were detected. The control variable of Payment had five significant correlations with the study’s substantive variables of the study, including with Internship Satisfaction ($r = .29, p < .005$) and In-role Performance ($r = .16, p < .005$), relationships which are consistent with the extant literature discussed in Chapter 3. Therefore, the following control paths were incorporated into the structural model as direct effects: control one (C1) Payment to Internship Satisfaction, and control two (C2) Payment to In-role Performance.
Table 6.13
Correlations for Variables including Control Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Gender</td>
<td>0.64</td>
<td>0.48</td>
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<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2.Age dissimilarity</td>
<td>14.02</td>
<td>7.40</td>
<td>.05</td>
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<tr>
<td>3.Gender similarity</td>
<td>0.44</td>
<td>0.49</td>
<td>-.22</td>
<td>-.07</td>
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</tr>
<tr>
<td>4.Payment</td>
<td>2.50</td>
<td>1.65</td>
<td>-.08</td>
<td>.09</td>
<td>.04</td>
<td></td>
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<tr>
<td>5.PAP</td>
<td>4.89</td>
<td>1.05</td>
<td>-.09</td>
<td>-.05</td>
<td>.04</td>
<td>.14*</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>6.LMX</td>
<td>5.74</td>
<td>.90</td>
<td>.05</td>
<td>.08</td>
<td>.00</td>
<td>.19**</td>
<td>.45**</td>
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</tr>
<tr>
<td>7.LO</td>
<td>5.74</td>
<td>.96</td>
<td>.16**</td>
<td>.03</td>
<td>-.13*</td>
<td>.10</td>
<td>.28**</td>
<td>.47**</td>
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<tr>
<td>8.IRP</td>
<td>4.78</td>
<td>1.07</td>
<td>.02</td>
<td>.08</td>
<td>.04</td>
<td>.16**</td>
<td>.41**</td>
<td>.56**</td>
<td>.42**</td>
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<td>9.INSAT</td>
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<td>.05</td>
<td>.04</td>
<td>-.08</td>
<td>.29**</td>
<td>.30**</td>
<td>.52**</td>
<td>.48**</td>
<td>.53**</td>
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<tr>
<td>10.INTCOV</td>
<td>3.75</td>
<td>1.75</td>
<td>-.02</td>
<td>.05</td>
<td>-.14</td>
<td>.06</td>
<td>.15**</td>
<td>.27**</td>
<td>.22**</td>
<td>.21**</td>
<td>.38**</td>
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<tr>
<td>11.INTEMPL</td>
<td>1.46</td>
<td>.50</td>
<td>-.01</td>
<td>.03</td>
<td>-.01</td>
<td>-.08</td>
<td>.12*</td>
<td>.21**</td>
<td>.17**</td>
<td>.19**</td>
<td>.22**</td>
<td>.60**</td>
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<tr>
<td>12.EMPL</td>
<td>1.41</td>
<td>.49</td>
<td>.00</td>
<td>.02</td>
<td>-12*</td>
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<td>.10</td>
<td>.17**</td>
<td>.24**</td>
<td>.59**</td>
<td>.49**</td>
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<td></td>
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<tr>
<td>13.PG</td>
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<td>2.07</td>
<td>.08</td>
<td>.04</td>
<td>-.10</td>
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<td>-.04</td>
<td>-.04</td>
<td>-.06</td>
<td>-.03</td>
<td>-.15**</td>
<td>.02</td>
<td>.14**</td>
<td>.20**</td>
<td></td>
</tr>
</tbody>
</table>

* p < .05, ** p < .01, ***p < .001
The model with the addition of two control paths achieved no improvement in goodness-of-fit ($\chi^2 = 794.9, \text{df} = 363, \chi^2/\text{df} = 2.18$, TLI = .90, CFI = .92, RMSEA = .06, SRMR = .07). In regards to the relevant paths, control path C2 from Payment to In-role Performance was non-significant, with a low critical ratio of .061 ($\beta = .003, p = .952$). However, the control path C1, from Payment to Internship Satisfaction, produced a highly significant result, with a critical ratio of 3.957 ($\beta = .20, p < .000$). In regards to the relevant squared multiple correlations, In-role Performance was unchanged and Internship Satisfaction increased marginally from $r^2 = .47$ in the non-controlled model to $r^2 = .49$ in the controlled model.

The path representing C1, was not included in the final model presented in figure 6.2, as the results of the controlled SEM indicate that payment can be ruled out as a potential additional explanation in In-role Performance, since it does not exert any biasing effects powerful enough to distort the effects of In-role Performance and thus increase the risk of Type I and Type II errors in the study’s findings (Becker 2005; Spector et al 2000). However, in the case of C2, a highly significant relationship was found between Payment and Internship Satisfaction, suggesting that that payment could confound results related to internship satisfaction. Consequently, path C2 will be incorporated into the final structural model presented in figure 6.4 and table 6.14, as a main effect ($\beta = .19, p < .000$). The results of the final structural model are presented in Table 6.14, which achieves the following goodness-of-fit indices: ($\chi^2 = 794.9, \text{df} = 364, \chi^2/\text{df} = 2.1, p = .000$, TLI = .91, CFI = .92, RMSEA = .06, SRMR = .07).
Figure 6.2
Standardised Path Coefficients from Hypothesised Structural Model, including Control Variables

Notes: Insignificant Paths

*p < .05, **p < .01, ***p < .001
### Table 6.14
Direct Effects, Final Structural Model Including Payment

<table>
<thead>
<tr>
<th>Path</th>
<th>$\beta$</th>
<th>S.E</th>
<th>C.R</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>PAP $\rightarrow$ LMX</td>
<td>.60</td>
<td>.06</td>
<td>8.11</td>
</tr>
<tr>
<td>H2</td>
<td>LMX $\rightarrow$ LO</td>
<td>.62</td>
<td>.08</td>
<td>7.45</td>
</tr>
<tr>
<td>H3</td>
<td>LMX $\rightarrow$ IRP</td>
<td>.58</td>
<td>.12</td>
<td>5.35</td>
</tr>
<tr>
<td>H4</td>
<td>LMX $\rightarrow$ INSAT</td>
<td>.51</td>
<td>.12</td>
<td>5.34</td>
</tr>
<tr>
<td>H6</td>
<td>LMX $\rightarrow$ INTEMP</td>
<td>.29</td>
<td>.19</td>
<td>4.41</td>
</tr>
<tr>
<td>H8</td>
<td>LO $\rightarrow$ INSAT</td>
<td>.22</td>
<td>.95</td>
<td>2.72</td>
</tr>
<tr>
<td>H10</td>
<td>INSAT $\rightarrow$ IRP</td>
<td>.24</td>
<td>.78</td>
<td>2.80</td>
</tr>
<tr>
<td>H11</td>
<td>INSAT $\rightarrow$ INTCOV</td>
<td>.39</td>
<td>.09</td>
<td>6.91</td>
</tr>
<tr>
<td>H13</td>
<td>INTCOV $\rightarrow$ EMPL</td>
<td>.50</td>
<td>.02</td>
<td>8.61</td>
</tr>
<tr>
<td>H14</td>
<td>INTEMPL $\rightarrow$ EMPL</td>
<td>.17</td>
<td>.01</td>
<td>2.84</td>
</tr>
<tr>
<td>H15</td>
<td>PG $\rightarrow$ EMPL</td>
<td>.19</td>
<td>.01</td>
<td>2.68</td>
</tr>
<tr>
<td>C2</td>
<td>PAY $\rightarrow$ INSAT</td>
<td>.19</td>
<td>.03</td>
<td>3.96</td>
</tr>
</tbody>
</table>

*Notes: *$p < .05$, **$p < .01$, ***$p < .001$, $\beta$ standardised*
6.2.5. Statistical Power

Assessment of statistical power is an important consideration, as it allows for a higher degree of confidence in the statistical inferences made produced by the model (Sedlmeier & Gigerenzer, 1989; Vieira, 2011). Wilkinson and the American Psychological Association (APA) Task Force on Statistical Inference (1999) recommend that researchers should “always present effect sizes for primary outcomes” (p. 599), as the presence of statistical power reduces threats to the validity of a study from Type II error. In addition to ensuring the validity of the study’s measures, post-hoc evaluation of the statistical power was also conducted using a procedure developed by MacCallum, Browne, & Sugawara (MacCallum, Browne, & Sugawara, 1996a) for accessing the statistical power of SEM. This analysis was performed with the Statistica-10 software package, calculating statistical power from the SEM’s RMSEA and degrees of freedom, using an alpha of .05 for analysis. The results of the analysis indicate that a sample size of 293 is required in order for the current study to achieve a power level of .85. Hence, the study’s sample of n = 303 intern-supervisor dyads used in this study provides a power level exceeding the required .80 criterion for indicating sufficient statistical power in an SEM (Diamantopoulos & Siguaw, 2000).

6.3. Summary

Part One, of this chapter established the validity of the measurement model utilised in this study, evaluating its dimensionality, internal reliability and discriminant validity, thereby providing a high degree of confidence in the findings outlined in Part Two of the chapter, were tests of the hypothesised structural model were reported. The results yielded indicate the model has good fit to the data, supporting eleven of the thirteen hypotheses that were associated with direct effects in the model, whilst also providing conclusive support for the three mediated hypotheses. Strengthening these findings’ control a number of control variables were ruled our as having a significant biasing effect on the results and the control variable of Payment was incorporated into the final model. In addition, evidence of the statistical power of these findings was also provided. The implications stemming from these results,
both theoretical and managerial, will be discussed in the next chapter. Furthermore, the limitations and avenues for future research will also be identified.
Chapter 7. Discussion and Implications

Chapter 6 of this thesis reported on the findings of the main study; the final chapter will discuss these findings relative to the objectives of this study. The introductory section of the chapter will outline the contributions of this study generally, before discussing the findings relative to the 18 individual hypotheses proposed. Next, the chapter will turn to addressing the broader theoretical methodological and managerial implications of the study before outlining the limitations of the study and suggesting avenues for future research.

7.1. Introduction

Despite the increasing utilisation of internships as a recruitment and selection tool, both globally and in China, there is currently little research able to shed light on the specific variables and mechanisms, which underpin the conversion of interns into actual employees with their host organisation. Therefore, this study developed and tested the hypothesised model presented in Figure 7.1, in order to empirically establish causal relationships between variables that are predictive of intern conversion into regular employment with the host organisation following graduation. The results arising from the testing of the hypothesised model make a number of important contributions of theoretical, methodological and practical significance which will be outlined here.

The study makes a number of theoretical contributions, which advance knowledge in a number of areas of organisational scholarship. In general terms, internship theory is advanced on two fronts by addressing two significant theoretical voids within the current body of internship literature. Namely, the dearth of theory development generally relates to internships and the lack of research investigating of internships, from the host organisations’ perspective, as a recruitment and selection tool. These contributions were achieved, as the findings supported the majority of the hypotheses.

Specifically, the study is the first to empirically establish the generalisability of a number of influential organisational theories to the employment setting of
internships; for instance by establishing the link between proactive personality and internship outcomes, the link between intern satisfaction and in-role performance, the pivotal role of LMX in predicting internship outcomes, and the parallels between interns’ and newcomers’ organisational experience. Consequently, the study contributes towards addressing the lack of theory development and testing within the internship literature (Bartkus, 2007) and thus provides a number of needed theoretical building blocks from which to enhance the ability of internships to successfully convert interns into employees with the host organisation. However, the findings associated with the rejected hypotheses caution internship researchers against the total transplantation of established organisational theories without modification to the internship setting, due to the unique dimensions of an internship as an employment setting.

In addition to advancing theory associated with internships, the findings of this study also contribute to the broader recruitment and selection literature. Specifically, the findings corroborate an emerging stream of literature on the topic, asserting that internships should be conceptualised by organisational researchers as a recruitment and selection setting for host organisations (Beenen & Mrousseau, 2010; Resick et al., 2007; Zhao & Liden, 2011) rather than solely as a developmental setting for interns, as in much of the past work. The findings also answer calls in wider recruitment and selection literature to broaden the scope of recruitment and selection research (Breaugh & Starke, 2000; Uggerslev et al., 2012). Specifically, the findings indicate that internships provide a typical performance selection setting in which intern proactive behaviours and in-role performance can be evaluated prior making an employment offer. Thus providing a means to overcome the longstanding weakness of traditional selection methods which evaluate candidates in maximum performance settings, and thus have limited predictive validity relative to post-employment behaviours (Arthur et al., 2009; White et al., 2008).

In addition to contributions to both the internship and recruitment and selection literature, the study also extends a number of wider organisational theories into a new employment context of internships; thus the relatively unique nature of this research context has implications for the wider theories drawn on in this study. For instance, by empirically establishing the link between intern proactive personality
and proactive behaviours during internships, it endorses the resilient impact of intern/employee proactive dispositions independent of contextual variables such as career stage and employment status (Converse et al., 2012; Fuller & Marler, 2009). Furthermore, by demonstrating the key intervening role of intern-supervisor LMX on the outcomes of intern proactive personalities, this study is among a the small number of studies which evidence the crucial role of relationships in the work place play in determining the manifestation of employee proactive dispositions (Thompson, 2005; Zhang et al., 2012). A further contribution, which was a by-product of addressing the main objectives of the study, was the methodological contribution of developing and validating a new scale to gauge the impact of the indigenous variable of pre-internship guanxi.

In addition to the study’s theoretical and methodological contributions, it also contributes to management practice, by providing timely advice for managers of host organisations particularly in China who wish to enhance the effectiveness of their internship programs, for converting interns into regular employees. The findings indicate that internships are best designed, in order to be reflective of regular employment to facilitate the accurate evaluation of selection criteria, including intern proactive dispositions and intern in-role performance, and that the evaluation of such criteria should be formally integrated into to multiple-hurdle selection process. However, in order to realise successful intern conversion, the host organisation must assign appropriate supervisors and design internships in a manner which develops high-quality intern-supervisor relationships as the foundation of the internship experience. Furthermore, from a recruitment perspective, the findings indicate that managers should be aware of additional factors that determine intern satisfaction beyond learning, such as payment. All of the study’s contributions will be discussed in detail in the subsequent sections of this chapter.

7.2. Conclusions regarding the Individual Hypothesis

The hypothesised model tested in this study is composed of 18 individual hypotheses, of which 15 were supported by the data, and three were rejected. This section will discuss the findings for each of the 18 hypotheses in turn. Next, the
discussion will focus on the wider theoretical and practical implications of this study’s findings.

7.2.1. The antecedent Role Proactive Personality

*Hypotheses 1* proposed that an intern’s proactive personality would be positively linked to the quality of intern-supervisor LMX developed during an internship a proposition supported by the data. This finding corroborates the theoretical premise on which the hypothesis was founded, that an intern’s experience has parallels with that of a newcomer’s organisational entry. Thus, an implication arising from this finding is that interns, in common with newcomers, proactively undertake behaviours to reduce uncertainty and adapt to their organisational environment (Ashford & Black, 1996; Ashforth & Saks, 2000; Wanberg & Kammeyer-mueller, 2000). In particular, like their proactive regular employees counterparts, proactive interns direct their proactive behaviours towards forging relational linkages with superiors, in order to facilitate their effective adaptation to the workplace and career advancement (Li et al., 2010; Thompson, 2005).

The finding demonstrating that proactive intern’s direct their proactive behaviours towards establishing high-quality LMX relationships with supervisors is of particular significance, as there are a number of contextual variables present in internships which could have reasonably been expected to suppress intern proactive behaviours, including an intern’s low organisational status, short tenure, and relative outsider status (Boyce, Ryan, Imus, & Morgeson, 2007; Feldman, Doerpinghaus, & Turnley, 1994). All of these factors could be expected to restrain social interactions between subordinates and supervisors. In addition, this finding counter the expectation that within a high power distance cultural context such as China, in which proactive behaviours from low ranking organisational members may be constrained when dealing with superiors (Hofstede & Hofstede, 2005).

7.2.2. The Antecedent Role of LMX

*Hypothesis 2* proposed that the quality of intern-supervisor LMX would be positively related to an intern’s learning opportunities during an internship, a proposition supported by the data. This finding advances previous internship work which argues
that the influential impact of mentoring-type relationships during internships on intern learning (e.g., Callanan & Benzing, 2004; Feldman et al., 1999; Lam & Ching, 2007; Masumoto, 2004). The results of this study suggest that the same characteristics that define high-quality employee-supervisor LMX, which facilitates employee learning, are also present in internships. These characteristics include an enhanced degree of trust and support from the supervisor, as well as these employees receiving access to additional informational and behavioural resources (Bauer & Green, 1996; Graen & Uhl-Bien, 1995; Liden & Maslyn, 1998). This finding also indicates that, as with regular employees, the quality of LMX present influences engagement in learning activities (Bezuijen et al., 2010; Driver, 2002) and learning goal orientation (Janssen & Van Yperen, 2004). A further explanation for this finding relates to Liu et al.’s (2011) claim that learning during internships is largely dependent on the delegation of tasks to interns which provide developmental opportunities. Previous research has also associated high-quality LMX with the delegation of such tasks to regular employees (Graen & Scandura, 1987; Pellegrini & Scandura, 2006). Thus, it is plausible that an intern’s greater learning opportunities are result from the characteristics of the tasks they were performing during their internships.

Hypothesis 3 proposed that there was a positive link between the quality of intern-supervisor LMX and an intern’s in-role performance during their internship, a link supported by the data. This finding extends the reach of one of the most enduring predictive relationships in organisational literature into a new organisational context (Bowler & Brass, 2006; Feldman et al., 1999; Jokisaari, 2013; Liu & Batt, 2010). Thereby further providing evidence of parallels between LMX developed in regular employment settings and within internships, by indicating that interns in high-quality LMX relationships receive access to preferential treatment, enhancing their in-role performance, provision of benefits such as access to resources, (Liden et al., 1997), and increased performance-related feedback (Dienesch & Liden, 1986; Elicker et al., 2006). Furthermore this finding also suggests that, as with regular employees, interns in high-quality LMX relationships may also enhance their performance because of a reciprocal obligation in their exchange relationship with their supervisor (Graen & Uhl-Bien, 1995; Kacmar et al., 2003; Law, Wang, et al., 2010).
Hypothesis 4 proposed that there would be a positive association between the quality of intern-supervisor LMX and an intern’s satisfaction level with their internship experience, a proposition supported by the data. Although this was the first time that these two variables have been empirically linked within the context of internships, the finding is not surprising given that interpersonal relationships, particularly with the supervisor, are known to be a resilient determinant of employee job satisfaction (Brower et al., 2000; Busch & Bush, 1978; Gerstner & Day, 1997; Murphy & Ensher, 1999). Specifically, this is the first study to corroborate the known strong predictive role of LMX in determining employee satisfaction (Epitropaki & Martin, 1999; Gerstner & Day, 1997) within the context of internships. This finding implies that, even within the short and possibly transient internship relationship, the quality of LMX manifests itself in preferential supervisory treatment in common with regular employment contexts, resulting in higher satisfaction levels (Dienesch & Liden, 1986; Elicker et al., 2006; Graen & Uhl-Bien, 1995). Thus, this finding, combined with the findings of Hypothesis 2, suggests that high-quality intern-supervisor LMX relationships are comparable to regular employee-supervisor LMX relationships developed in considerably longer-tenure, relatively permanent employment settings.

Hypothesis 5 proposed that the quality of intern-supervisor LMX would be positively related to the intern’s intention to convert to regular employment, but the data rejected this hypothesis. A number of issues of importance emerge from this finding. Firstly, in research conducted with regular employees the relationship with the immediate supervisor has been found to be the single most powerful connection an employee can build with their organisation (Wayne et al., 1997; Wong & Wong, 2013). Conversely, previous research has consistently linked low-quality LMX to an employee’s intention to leave their current organisation (Gerstner & Day, 1997; Graen et al., 1982; Nystrom, 1990; Schyns et al., 2007), suggesting that factors influencing an intern’s intention to convert are distinct from those influencing a regular employee’s intention to leave their current organisation.

A possible explanation for these diverging results between internship and regular employment contexts can be found in theory asserting that an employee’s intentions to leave an organisation relate to a risk versus rewards calculation (Chen, Ployhart, et
al., 2011; Kahneman & Tversky, 1984). This calculation will likely differ for interns who have limited formal commitment to the organisation, and thus have made a minimal investment in their employment relationship with the host organisation, due to the short duration of their internship. Thus, discontinuation of their relationship with the host organisation represents a minimal loss for interns, because of the chance of potentially better employment opportunities after graduation. This may be so even in the presence of high-quality LMX, whereas for regular employees high-quality LMX with their supervisor represents an important additional investment in their organisation, which potentially may have taken years to develop and will be lost upon departure from the organisation, with no certainty that this quality of LMX can be replicated with their new employer (Meyer et al., 1991). Conversely, interns in high-quality LMX relationships with their supervisor developed this relationship in a short time span, and hence may assume they can easily establish comparable LMX with a new supervisor at another organisation. In addition, there is no guarantee that their supervisor, during their internship, will continue to be their supervisor in regular employment post internship. Hence, the quality of LMX is not a significant factor influencing an intern’s decision to convert to regular employment with their host organisation.

A further explanation for the rejection of this hypothesis is that the characteristics of the LMX developed within the internship differ from those developed within longer-term regular employment settings. The results of the three directly preceding hypotheses indicate that interns receive tangible benefits from a high-quality LMX relationship with their supervisor, such as information and resources. However, high-quality LMX also has less tangible social-emotional components, which are founded on repeated social exchange and reciprocation that take place over time and instigate feelings of obligation and attachment to the supervisor, and by extension, to the organisation (Eisenberger et al., 2003; Shore et al., 2006). Thus, it is plausible that although interns in high-quality LMX relationships receive preferential treatment from their supervisors, the short duration of an internship may provide insufficient time for the socio-emotional component of LMX to develop. Hence, the LMX developed within the confines of an internship without the social-emotional bond with the supervisor does not establish feelings of obligation and attachment to the
organisation, which consequently influences the intern’s intention to convert to regular employment.

Hypothesis 6 proposed that the quality of intern-supervisor LMX would be positively related to the supervisor’s intention to convert the intern, and the data supported this proposition. This finding is consistent with previous research in regular employment settings linking high-quality LMX with establishing feelings of reciprocal obligation in both employees and supervisors (Cropanzano & Mitchell, 2005; Graen & Uhl-Bien, 1995) and increased affective attachment (Gerstner & Day, 1997; Maslyn & Uhl-Bien, 2001; Uhl-Bien et al., 2000). Therefore, the supervisor is less likely to want to discontinue the relationship at the conclusion of the internship. However, this finding is counter to the findings of the directly preceding Hypothesis 5. The different impact of LMX on the decision of a supervisor’s intention to employ versus an intern’s intention to convert may be due to differences in the aforementioned risk versus rewards calculations between interns and supervisors. For a supervisor there is relatively little risk in supporting an intern’s employment into a junior position within their organisation, when contrasted with the intern’s decision to convert, which may have substantial implications for their future career trajectory. Hence, the supervisor’s decision is potentially more susceptible to influences such as the quality of their LMX with the intern that has developed during the internship.

Furthermore, the findings of Hypothesis 6 are consistent with sponsored-mobility theory, which asserts that selected employees, in this case interns, will receive higher levels of support in facilitating their career progression from superiors (Rosenbaum, 1984), a theory which is known to have significant overlap with LMX theory (Wakabayashi et al., 1988; Wayne et al., 1999). Therefore, this finding adds an additional employment context in which high-quality LMX can be linked to supervisory support for a subordinate’s career advancement (Liden & Graen, 1980; Scandura & Schriesheim, 1994; Wayne et al., 1999). This finding again indicates that internships provide sufficient conditions to build LMX of sufficiently high quality to influence outcomes in this case to impact on career sponsorship from the supervisor.
7.2.3. The Mediating Role of LMX

**Hypotheses 7a to 7d.** The four mediated hypotheses proposed that the quality of intern-supervisor LMX mediates the relationship between the level of an intern’s proactive personality and outcomes of Learning Opportunities, In-Role Performance, Internship Satisfaction and Intention to Convert the data supports LMX as a full mediator in all of these hypotheses. This finding provides empirical support to internship literature asserting the instrumental role of supervisors in defining the internship experience and determining its outcomes (e.g., Callanan & Benzing, 2004; Feldman et al., 1999; Lam & Ching, 2007; Masumoto, 2004). Also, more generally this finding substantiates the well-established intervening role of LMX on workplace outcomes into a new previously-unexplored organisational context (Harris et al., 2009; Murphy & Ensher, 1999; Wang et al., 2005; Wayne et al., 1997).

This finding also advances an evolving stream of proactive personality research, asserting the importance of intervening variables for proactive employees achieving organisationally desirable outcomes (Converse et al., 2012; Grant, Parker, & Collins, 2009; Kim et al., 2009; Lin, 2010). Particularly, this finding builds on the small number of studies which assert that interpersonal relationships in the workplace are a crucial mechanism for allowing proactive personalities to impact on outcomes (Thompson, 2005). However, Zhang, Wang and Shi (2012) in their study of a cross-section of employees found that LMX only partially-mediated outcomes.

The fully-mediated role of LMX found in this study points to the enhanced importance of intern-supervisor relationships within the context of internships, a finding which reflects that of newcomer research where the supervisor has a more pivotal in effective newcomer adaption, due to the newcomers’ lack of relevant experience and access to organisational resources (Ashforth et al., 2007), further evidencing parallels between interns and newcomers organisational entry experience. Therefore, the finding suggests that LMX is a crucial explanatory mechanism for how intern proactive personalities manifest into proactive behaviours during internships, suggesting that in the absence of high-quality LMX, interns’ proactivity will be severely constrained during internships.
7.2.4. The Antecedent Role of Learning Opportunities

Hypothesis 8 proposed a positive relationship between interns’ learning opportunities during the internship and their general satisfaction level with their internship experience, a proposition supported by the data. Unlike the other hypothesised relationships in this study, this relationship had been previously tested and supported within the context of internships by D’Abate et al. (2009). As these two studies used the same measures, this is one of the few theoretical relationships that has been replicated in two internship studies, thus providing strengthened empirical support for the applicability of wider organisational theories asserting the link between the intrinsically motivating characteristics of work associated with learning and job satisfaction (Eby et al., 1999; Hackman & Oldman, 1975; Pearson & Chong, 1997; Pierce et al., 1991) within internships. In addition, this finding also highlights a parallel between interns and other early-career employees who are known to place a heightened value on learning opportunities when determining their job satisfaction (Bauer & Green, 1998; Cropanzano et al., 1993; Rabinowitz & Hall, 1981; Wright & Bonnett, 2002).

Hypothesis 9 proposed that an intern’s learning opportunities during an internship would be positively related to their intention to convert to regular employment with the host organisation, a proposition that was rejected by the data. This finding diverges from previous work on internships advocating intern learning as the focal outcome of the internships from an intern’s perspective (e.g., Brumm et al., 2006; Ciofalo, 1989; Eyler, 1995; Gault et al., 2000; Hymon-Parker, 1989; Hynie et al., 2011; Scholz et al., 2004). Particularly, this finding does not support previous internship work, asserting that a key motivation for interns’ intention to covert is the future developmental opportunities with the host organisation signalled during internship (Hurst et al., 2012). Rather, the findings from this study support Zhao & Linden’s (2011) argument that the impact of characteristics of the internship experience, including learning, on an intern’s intention to convert are potentially dependent on their conversion intention developed prior to the commencement of the internship.
7.2.5. The Antecedent Role of Internship Satisfaction

Hypothesis 10 proposed that an intern’s satisfaction with their internship experience would be positively related to their in-role performance during the internship, a proposition that was supported by the data. This finding extends the generalisability of one of the most widely studied causal linkages in organisational studies, into the previously the unexplored employment setting of internships (Bowling, 2007; Herzberg et al., 1957; Judge, Thoresen, et al., 2001). Establishing the transferability of this linkage to internships indicates that this linkage manifests itself at an earlier stage of employment than previously tested, signifying that this relationship is not influenced by relatively unique variables within internships, such as the predefined short duration of the internship experience. In addition, this finding suggests that in the case of the variables, which predict in-role performance, internships are reflective of a typical performance employment setting.

Hypothesis 11 proposed that an intern’s satisfaction with their internship experience would be positively linked to their intention to convert; this hypothesis was strongly supported by the data. Although this important link had been inferred in previous work focusing on internship satisfaction (D'Abate et al., 2009), these claims had not been empirically substantiated; rather the link had been assumed, based on the fact that it had been widely established in regular employment settings (Boswell et al., 2005; Chen, Ployhart, et al., 2011; Griffeth et al., 2000; Steers & Mowday, 1981). It is particularly important that this study has established the generalisability of this important linkage to internships from a recruitment perspective, as interns are uniquely situated to evaluate their satisfaction with the host organisation prior to making their decision to convert to regular employment (Knouse et al., 1999; Pedro, 1984). In this study, internship satisfaction was shown to be the only strong predictor of an intern’s intention to convert; it is plausible that internship satisfaction is capturing additional factors which influence the intern’s intention to convert, such as those external to the internship experience, such as labour market conditions (Day, 2005), which may account for its strong influence on intention to convert in the hypothesised model.
7.2.6. Antecedents of Conversion Outcomes

Hypothesis 12 proposed that there would be a positive relationship between an intern’s intention to convert and their actual conversion into regular employment with the host organisation after graduation, a proposition was strongly supported by the data. This finding concurs with research which has established a link between regular employees’ turnover intention and their actual turnover (Kammeyer-Mueller et al., 2005; Steel & Ovalle, 1984). Establishing this link within the context of intern conversion is particularly significant, since when interns express their intention to convert, they are not yet formally committed to employment with the host organisation, and there is a significant time lag between them expressing their intention to convert during an internship and actual conversion following graduation. This finding supports the largely empirically unsubstantiated assumption of previous work on internship conversion, that an intern’s intention to accept a job offer developed during an internships would translate into actual conversion after graduation (Beenen & Mrousseau, 2010), providing evidence that this intention is durable over time, and predictive of an intern’s future employment decisions after graduation.

Hypothesis 13 proposed that there would be a positive relationship between an intern’s in-role performance during the internship and their immediate supervisor’s intention to employ them; this hypothesis was rejected by the data, a finding that raises a number of issues. Firstly, this finding is not consistent with the wider organisational literature, asserting the strong impact of employee in-role performance on personnel decisions, including employee selection (Barnes & Morgeson, 2007; Batt, 2002; Jenkins et al., 1998; Landy & Farr, 1980). Rather, the findings of this study suggest that internship supervisors are more influenced by relatively subjective criteria, such as the quality of their LMX with the intern, when formulating their intention to convert the intern. An additional, possible explanation for this finding, is that the design of the internships studied did not provide sufficient opportunity for supervisors to evaluate interns’ in-role performance; for instance because the intern undertook menial tasks during their internship. Thus, the supervisor’s evaluation of their in-role performance was largely arbitrary, and hence did not impact significantly on their intention to convert the intern. Furthermore, the findings
indicate that although internships provide the prerequisite conditions to create a typical performance selection context, these conditions alone are not sufficient alone for internships to function effectively as an effective selection method, unless the supervisor is explicitly linking their selection decision to the intern’s performance.

_Hypothesis 14_ proposed that a supervisor’s intention to employ an intern would be positively related to the intern’s actual employment with the host organisation after their graduation, a proposition supported by the data. This finding is consistent with sponsored-mobility theory, developed in regular employment settings (Rosenbaum, 1984), thus indicating that a supervisor’s intention to support selected interns’ conversion into regular employment is an influential factor in determining the actual conversion of interns into regular employment. However, the findings of the previous Hypothesis 13 raises concerns regarding how the supervisors formulate their intention to convert an intern, by indicating that the quality of LMX, rather than in-role performance, is the more influential predictor of this decision, a finding which is consistent with the known overlap between LMX and sponsored-mobility theory (Wakabayashi et al., 1988; Wayne et al., 1999), leading to supervisors in high quality LMX relationships supporting the career advancement the relevant subordinates based on this relationship (Liden & Graen, 1980; Scandura & Schriesheim, 1994).

_Hypothesis 15_ proposed by that an intern’s guanxi, which pre-dated their internship experience, would be positively related to their actual conversion into regular employment with the host organisation after graduation, a proposition that was supported by the data. This further substantiates the resilient impact of guanxi on Chinese organisational phenomena in modern China (Chen et al., 2013; Luo et al., 2012). Specifically, this finding is consistent with the established practice of job seekers generally utilising social networks to gain employment referrals (Granovetter, 1995; Rebick, 2000). However, this finding, in common with previous studies in China, suggests that the influence of guanxi on employment goes beyond that of providing referrals and information about job openings, as the pre-internship guanxi scale also included the dimension of influence/power, which is known to be instrumental in determining preferential employment outcomes from guanxi in China (Bian & Ang, 1997; Bian, 1994; Bian & Huang, 2009). Another point of interest was that a majority of interns used their parents’ guanxi, hence supporting claims that
younger members of society are unlikely to possess sufficient personal guanxi with older members of society that will influence employment outcomes (Chow, 2004; Zang, 2003). This finding is particularly relevant to the conceptualising of internships in a recruitment and selection capacity, as this finding reveals that factors external to the internships may predetermine an intern’s conversion into regular employment, and undermine internships effectiveness as a means to attract and screen interns for those, matching organisational talent requirements.

7.2.7. Control Variable Relationships

The impact of the control variables of Gender and Intern-supervisor (dis)similarity were shown not to exert significant bias on the relevant variables in the hypothesised model. However, the control variable of Payment was shown to have a significant positive relationship with Internship Satisfaction, a finding which is not consistent with the one previous study to empirically test this link within internships (D’Abate et al., 2009). However, this link is widely accepted in the wider organisational literature (Judge, Piccolo, Podsakoff, Shaw, & Rich, 2010) a relationship broadly explained by equity theory (Adams, 1965) and discrepancy theory (Lawler, 1981). Both of these theories concur that an employee’s satisfaction with their pay and consequently job is fundamentally determined by their expected pay level’s alignment with their actual pay level (Tang & Chiu, 2003). Therefore, this finding indicates that interns who perceive their payment as ‘fair’, like their regular employee counterparts, report higher general levels of satisfaction (Brown, 2001). Furthermore, employee characteristics, including demographic characteristics and experience levels, are known to determine pay expectations (Lawler, 1971). Thus, it would be reasonable to assume that, because young interns have yet to graduate from university, and because 46.6% of the interns in the sample received no payment, interns they may not have expected any payment for their internship work. Therefore, receiving payment for their internship work would be beyond their expectations, and hence significantly enhance their satisfaction with their internship experience.

In addition to equity and discrepancy theory, there are further possible explanations for this result, as receiving payment likely makes interns feel more valued,
recognised, and trusted by the host organisation (Tekleab, Bartol, & Liu, 2005), consequently leading to higher levels of internship satisfaction. It is also possible that payment may represent a proxy variable. For instance, those organisations offering payment may be larger organisations with more resources providing a more structured internship experience, or paying interns may be indicative of host organisations, which regard their interns as organisational insiders, thus treating them in a manner more consistent with their regular employees. Hence, it could be these factors, rather than the payment itself, which leads to the finding of higher satisfaction levels amongst interns who receive payment for their internships in this study.

### 7.3. Conclusions from the Hypothesised Model

Cumulatively the findings of this study support the hypothesised model presented in Figure 7.1, as 15 of the 18 individual hypotheses were supported, and the goodness-of-fit indices yielded by the structural model evidenced the model’s good fit to the data. Thus, in line with the core research objective of this study, the model reveals key predictors of intern conversion, which are primarily related to an intern’s proactive personality coupled with high-quality intern-supervisor LMX. These variables were shown to predict intern satisfaction and intern in-role performance, internship outcomes shown to be instrumental in determining the effectiveness of an internship in a recruitment and selection capacity. Furthermore, given that the model represents data collected at three time intervals, the findings of the model are able to go beyond conversion intentions developed during the internship, and provide evidence of the crucial predictive link between an intern’s conversion intentions and actual conversion. Providing evidence of this link endorses the use of internships by host organisations as a supplement to traditional recruitment and selection methods. However, the role of pre-internship guanxi in the model makes it evident that the prediction of intern conversion is not limited to phenomena solely within the internship experience.

Furthermore, predictors of key outcomes in the model, including in-role performance and satisfaction, were consistent with causal relationships established in regular employment settings. This suggests that in regards to the relationships tested in the
model, internships provide a representative sample of regular organisational life, and thus provide an appropriate selection setting to evaluate interns’ future behaviours in regular employment. However, the rejected hypothesis represents an important point of divergence between interns and regular employees, by highlighting that an intern’s decision to convert is distinct from a regular employee’s decision to continue their employment with their existing organisation. Thus, the hypothesised model was shown to be valid in predicting how interns behaved during their internships. However, theories transplanted from regular employment settings were shown to be less applicable for predicting an intern’s decision to convert, which is most likely due to interns’ unique organisational membership status and high level of discretion in making their conversion decision. Thus, the findings also caution against the wholesale transplanting of extant organisational theories when endeavouring to predict internship conversion outcomes.
**Figure 7.1**
Results Hypothesised Model

<table>
<thead>
<tr>
<th>Mediated Hypotheses</th>
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<tbody>
<tr>
<td>H7a, Intern Proactive Personality → LMX → Learning Opportunities</td>
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<tr>
<td>H7b, Intern Proactive Personality → LMX → In-Role Performance</td>
</tr>
<tr>
<td>H7c, Intern Proactive Personality → LMX → Internship Satisfaction</td>
</tr>
<tr>
<td>H7d, Intern Proactive Personality → LMX → Supervisor Intention to Convert</td>
</tr>
</tbody>
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*Note: S = Supported Hypothesis, R = Rejected Hypothesis*

### 7.4. Implications for Theory

Beyond the specific theoretical contributions associated with the individual hypotheses tested in this study, the findings also have a number of implications for broader theory, which will be outlined in this section.

**Internship Theory.** A primary theoretical implication of this study is the contribution its findings make towards filling the acknowledged void in the internship literature; namely the lack of theory development and testing within the context of internships (Bartkus, 2007; Bartkus & Stull, 1997; Wilson, 1988). This
contribution is possible because, rather than following the descriptive tradition of much of the past work on internships, this study empirically substantiates a number of key causal theoretical relationships within the context of internships. Furthermore, these relationships were conceptualised from a host organisation’s recruitment and selection perspective, rather than from an intern’s learning perspective, which was has been favoured in past research (e.g., Daugherty, 2011; English & Koeppen, 1993). Therefore, this study’s findings advance the important emerging stream of internship research advocating host organisations’ utilisation of internships as a recruitment and selection tool (Beenen & Mrousseau, 2010; Resick et al., 2007; Zhao & Liden, 2011). Moreover, the findings are amongst the few studies able to contribute towards building a theoretical foundation from which to enhance the effectiveness of internships for converting interns into regular employees. In addition, as this study built on theories developed in other employment contexts, the findings establish a shared theoretical foundation with the wider organisational literature, facilitating the advancement of internship theory, and utilising the scaffolding of relevant wider organisational theories.

**Proactive personality theory.** Extending the reach of established organisational theories into the new employment setting of internships in this study not only advances internship theory could be, but also advances the theories that were drawn from the broader organisational literature. Firstly, this study established that proactive personality theory could be generalised to internships, which makes a notable contribution to the wider proactive personality theory, particularly as little is currently known about the influence of proactive personalities outside of regular employment settings. This finding corroborates assertions that employee personalities generally are relatively enduring determinants of employee behaviours, across time and employment contexts (Illies & Judge, 2003; Staw et al., 1986). In addition, given the uniqueness of internships as an employment context, the finding supports the argument that individuals with proactive personalities are particularly not influenced by the situational variables (Crant, 2000). This is particular notable, given the low organisational status of interns and their short tenure, supporting (Li et al., 2011) the assertion that an employee’s proactive personality plays an instrumental role in determining workplace outcomes irrespective of organisational status or tenure, countering arguments that proactive behaviours are suppressed by
factors such as low status in the organisational hierarchy or length of tenure (Fuller et al., 2006; Van Dyne & LePine, 1998). Furthermore, by establishing the influence of proactive personalities within the unique employment context of internships, this study contributes to answering calls to test the boundary conditions which may shape the outcomes associated with proactive personalities (Erdogan & Enders, 2007; Fuller et al., 2006).

In addition, this study has more specific implications for proactive personality theory, given that previous proactive personality research focused on early-career employees, had proposed that proactive behaviours amongst early career employees were primarily motivated by the need to advance their careers (Blickle, Witzki, & Schneider, 2009; Brown et al., 2006; Seibert et al., 2001). However, despite many of the proactive interns in the study having no intention of advancing their career within their host organisation, they still exhibited proactive behaviours consistent with those associated with achieving career advancement in regular employment settings (Fuller & Marler, 2009). The finding suggests that proactive behaviours, for instance directed towards developing a relationship with an immediate supervisor, are potentially more intrinsically motivated amongst proactive employees than previously thought, as proactive interns undertook proactive behaviours independent of extrinsic motivations associated with these behaviours such as their career advancement.

**Newcomer theory.** The findings of this study associated with intern proactivity during internships, establish important parallels between a newcomer and an intern’s organisational experience, as proactive newcomers are also known to actively shape their organisational entry experience, impacting on key workplace outcomes, including their performance and learning (Ashforth & Saks, 1996; Miller & Jablin, 1991). In particular, this study establishes that, in common with proactive newcomers, the interpersonal relationship with their supervisor is the key mechanism by which interns adjust effectively to organisational life (Ashforth et al., 2007; Thompson, 2005). This suggests that internships can be theoretically conceptualised by internship researchers as an extension of the newcomer employees’ organisational entry and on-boarding process, rather than as an extension of their learning process
as university student as is the case with much of the previous internship research noted in Appendix 1.

This study provides an additional contribution to the wider proactive personality literature, as the study found that LMX fully mediated the impact of intern proactive personalities on internship outcomes, thus providing a response to calls for theories investigating the mechanisms though which employees’ proactive personalities manifest into proactive behaviours in the workplace (Brown et al., 2006; Crant & Bateman, 2004; Parker et al., 2006; Thompson, 2005). Particularly, this finding strengthens the argument that employees’ proactive dispositions have to be coupled with strong interpersonal relationships in the workplace in order for desired outcomes to be fully realised from proactive employees (Thompson, 2005).

**LMX theory.** This study establishes the presence of both the strong antecedent and mediating roles of LMX within the short duration of an internship, which has implications for broader LMX theory, which is premised on the concept that high-quality LMX relationships are developed over time during a series of exchanges (Bauer & Green, 1996; Graen & Scandura, 1987). Therefore, organisation tenure has been asserted to be positively related with the quality of LMX developed (Howell & Hall-Merenda, 1999; Liden et al., 1997). However, as the majority of previous LMX research was conducted on regular employees, who have a considerably higher average tenure than the interns in this study, little is known about the development of LMX in short-tenure and possibly transient employment settings. This study demonstrates that it is possible to develop LMX of sufficient quality during short relationships within internships that is capable of influencing outcomes such as learning opportunities and in-role performance. However, the rejected hypotheses in this study add a caveat to the applicability of LMX theory to internships and other short duration employment arrangements, by indicating that the development of the socio-emotional dimension of high-quality LMX, associated with outcomes such as organisational commitment, may require a longer period of time to develop. Thus, the findings distinguish the characteristics of the high-quality LMX developed during short duration intern-supervisor relationships from the high-quality LMX developed in longer-tenure regular employment.
Recruitment and selection theory. The findings of this research are also able to uniquely inform the wider recruitment and selection literature, as unlike regular employment candidates, interns are already engaged in employment with their potential employer. Thus, the findings are uniquely able to shed light on role-organisational theories such as LMX, as a component of a recruitment and selection process, thereby answering calls in the recruitment and selection literature for studies which develop a better understanding of the actual process of recruitment and selection and its outcomes (Barber, 1998; Breaugh & Starke, 2000; Collins & Han, 2004; Rynes, 1991). The findings also demonstrate how internships can be used to overcome weaknesses of traditional recruitment and selection methods.

Firstly, because interns’ proactive personalities were shown in this study to manifest themselves in a manner consistent with that expected in regular employment settings, it suggests that internships provide a selection context suitable for evaluating proactive behaviours, which are likely to be representative of behaviours in regular employment. Thus internships used as a selection setting in which to access personality traits such as proactive personality may overcome the questionable predictive validity of personality tests when applied in a selection capacity (Rosse et al., 1998; White et al., 2008) thereby contributing to the stream of research investigating preventative strategies for mitigating faking in personality tests when used as selection method (Donovan, Dwight, & Hurtz, 2003; Fan et al., 2012; Jackson, Wroblewski, & Ashton, 2000).

In addition, the findings contribute to addressing another criticism of traditional selection methods, which is that they evaluate candidates in maximum rather the typical performance situations, and this factor limits their ability to predict behaviour in actual employment (Klehe & Anderson, 2005; Posthuma et al., 2002; Whetzel & McDaniel, 2009). To date the selection literature has largely been unable to address such criticisms, primarily because it is difficult to replicate a typical performance setting outside of regular employment due to the number of variables involved. Therefore, this study is among the few studies able to address the criticism of existing selection methods, as its findings establish that variables such as intern proactive personality and the intern-supervisor relationship interact and influence intern in-role performance in a manner that is consistent with a regular employment
setting. Consequently, it is reasonable to assume that internships are reasonably reflective of typical performance settings and thus evaluation of intern in-role performance during internships is more likely to be reflective of post-employment performance, than performance evaluated in maximum performance settings such as employment interviews.

From a selection perspective the interns in this study were shown to be comparable to regular employees, however the findings showed that the converse was true from a recruitment perspective. Specifically the rejected hypotheses reveal a lack of any generalisation concerning the theories predicting regular employee’s turnover intent and an intern’s intention to convert. This is illustrated by the well-established negative relationship between high quality LMX and turnover intention in regular employment settings (Gerstner & Day, 1997; Holtom et al., 2008; Schyns et al., 2007). Rather, the findings of the study point to factors external to the internship experience being more influential determinants of an intern’s decision to convert. Suggesting for instance that theories associated with the recruitment of external employment candidates, such as those theories associated with organisational attractiveness, special networks and recruitment information (Barber, 1998; Rynes, 1991; Zottoli & Wanous, 2000), are potentially more valid for predicting an intern’s intention to convert, than those associated with regular employee turnover.

**Chinese management theory.** In addition to the theoretical implications of this study derived from the employment context of internships, the national context of this study also offers contributions to theory. Primarily in regards to the cross-national generalisability of the theories tested in the model, as many of the theories tested were predominantly developed and tested in Western research contexts, which have been argued to be distinct from Chinese organisational contexts (Child & Warner, 2003; Hartmann et al., 2010; Li & Scullion, 2006; Zhu et al., 2013). Conversely, others argue that there is a trend of convergence in organisational contexts across national contexts, including China (Björkman, Smale, Sumelius, Suutari, & Lu, 2008; Gamble, 2010; Tarique & Schuler, 2010), whilst a third argument criticises both approaches for viewing employees as homogenous on a national level, thereby overlooking important individual level variables (Mo & Berrell, 2004).
This study is able to contribute to the above discussion, as the findings collectively support the transferability of what have up until now largely Western-derived organisational theories to internships in China. However, the intern sample used for this study exclusively belonged to one generational cohort, born after 1980 under the one-child policy, who were shaped by an environment with little commonality with the preceding generations of Chinese employees (McEwen et al., 2006). Therefore, members of this generation bring a unique set of motivations and skill sets to the workplace relative to preceding generations of Chinese employees (Gu et al., 2010; McEwen et al., 2006), and are also known to have more convergent values with Western employees than older Chinese employees, such as a preference for more egalitarian management practices (Hui et al., 2004; King & Bu, 2005; Liu, 2003; Spreitzer, Perttula, & Xin, 2005). Thus, given the relatively homogeneous nature of the generational cohort composing the intern sample of this study, the study’s findings support these researchers arguing a tendency for convergence with Western values amongst the younger generational cohort particularly, rather than the Chinese employee population as a whole.

This convergence in values is best demonstrated by this study’s findings associated with intern’s proactive personalities, as interns occupy a low status in the organisational hierarchy. Thus, the culturally-prescribed norm in a high-power distance culture such as China would be for interns to take a passive rather than active role, for instance in their interactions with their supervisors (Adler, 2001; Hofstede & Hofstede, 2005). However, the results of this study demonstrate that interns with proactive personalities felt unconstrained by their Confucian-influenced cultural traditions and actively shaped their relationship with their supervisor and their internship experience. This indicated the applicability of Western-derived theories such as proactive personality and LMX for providing insights into the effective management of future generations of Chinese employees.

### 7.5. Implications for Methodology

In addition to the numerous theoretical contributions, this study is also able to contribute to methodological advancement, as it both developed and validated a new scale measuring pre-internship guanxi. Firstly, this study provides guidance to
organisational researchers who wish to develop contextually relevant scales. This is because a number of the techniques used to generate items in the study were borrowed from anthropological researchers, including free-listing, pile-sorting, and scenario activities, are not commonly used in organisational research, therefore this study was able to demonstrate their utility for unearthing specific contextual elements when generating items for inclusion in scales used in organisational studies.

In addition, although the validation of a measure is a continuous process (Hinkin, 1998), the study provides a measure of pre-internship guanxi for use in future studies. Hence, this study contributes towards answering calls from prominent Chinese management scholars for the development of new scales that are contextualised for the Chinese organisational environment (Farh et al., 2006; Tsui, 2006). Specifically this study develops and validates a means to measure a specific manifestation of the variable of guanxi, an indigenous variable which is acknowledged to have far-reaching impacts on Chinese organisational phenomena (Cheung, Wu, Chan, & Wong, 2009; Hwang, 2004; Smith, Huang, Harb, & Torres, 2010; Wong & Wong, 2013). Provision of this measure makes a notable contribution as despite guanxi being included as a focal construct in at least 235 organisational studies over the last three decades (Chen et al., 2013) researchers have noted that a well-defined coherent operationalisation and consequently measurement of guanxi remains in its formative stages (Chen et al., 2004; Wong et al., 2010).

The pre-internship guanxi scale developed and validated in this study supports Bian and Huang’s (2009) argument that much of the controversy regarding guanxi research is generated by an empirical approach, which is impacted by contextual variables, including when, where and what sectors, or on what kind of jobs, guanxi researchers conducted their studies. Thus, the pre-internship guanxi scale was developed to measure a particular manifestation of guanxi within a specific context, namely the employment of former interns, and thus by extension graduates. Hence, context specific variables were incorporated into the scale.

Additionally, the resulting scale is among the few scales which incorporate both categorical and dynamic dimensions of guanxi, in order to address divergent results produced between scales associated with these dimensions (Latham & Gordon,
2009). Of interest, the scale produced in this study placed emphasised the dynamic dimension of guanxi. This finding indicates that the conceptualisation of guanxi amongst the younger generation of Chinese is evolving away from its categorical roots with clear demarcations between the types guanxi relationship categories such as non-immediate family and friends (Jacobs, 1982; King, 1991; Tsang, 1998), in favour of recognising the more dynamic and fluid nature of guanxi (Chen & Peng, 2008; Cheung et al., 2008). In addition, the scale developed also incorporates the dimension of influence, supporting previous work asserting that this dimension distinguishes the utilisation of guanxi in the Chinese employment market from comparable practices such as referrals in Western job search contexts (Bian, 1997).

7.6. Implications for Management Practice

The findings of this study also have a number of timely practical implications for managers, given the current restrictive global talent market conditions, coupled with the significant impact that the recruitment and selection, of the most appropriate employees has on organisational performance (Collings & Mellahi, 2009; Hunter & Gerbing, 1982). The findings of this study are of enhanced practical relevance, given that host organisations are already extensively utilising their intern pools as a means to recruit and select future employees, with little guidance from the extant literature. As a result, this study is among one of the few studies able to provide managers with guidance regarding how internships can be designed to enhance intern conversion, enabling host organisations to extract the maximum value from their substantial investment in internship programs. Furthermore, the recommendations offered in this section, regarding internship design, are practically feasible for managers to implement, given that host organisations have considerable flexibility when designing their internship programs to maximise their return on investment.

Primarily, this study advocates that managers should conceptualise internships as a formal component of their recruitment and selection efforts, rather than as a developmental experience for interns. Specifically, the findings indicate that internships often represent a missed opportunity to evaluate key selection criteria, such as in-role performance prior to regular employment, as supervisors in the study did not factor in their evaluation of intern in-role performance when developing their
intention to convert an intern. Therefore, for host-organisations who wish to capitalise on the capacity of internships to screen for high potential future employees, they should explicitly incorporate their internships within a multiple-hurdle selection process. This could include the formal evaluation of weighted selection criteria such as in-role performance and proactive behaviours by internship supervisors and relevant others and where possible objective performance data could also be incorporated into the evaluation prior to making selection decisions. In addition, the findings suggest that a preliminary stage of this multiple-hurdle selection process, should be the screening of interns prior to the commencement of the internship. In order to identify those interns who are motivated to convert, as this study suggests that interns possess differing motivations for entering an internship program, which impact on the ability of factors within the internship to influence conversion.

The study also endorses the use of internships as a selection method, which can help to reduce a manager’s reliance on traditional selection methods by allowing those who seek employees with proactive personalities to evaluate actual proactive behaviours within a work setting prior to employment. In order to allow for the effective evaluation of intern proactive personalities, it is advisable that internships are designed to facilitate the manifestation of intern proactive behaviours. Specifically, internships should be designed to foster high-quality intern-supervisor LMX, in order to ensure that intern’s proactive personalities will not be suppressed during internships. Internships should also be designed to foster relationships between interns and supervisors, which are reflective of regular employee-supervisor relationships, rather than a student-teacher relationship, as interns who are treated as students rather than temporary employees may take a more passive learning role during their internship, hence masking their proactive dispositions.

In addition to revealing an intern’s proactive dispositions, internships designed to be reflective of actual employment are more advisable than those designed as a student learning experience, in order to facilitate the evaluation of an intern’s in-role performance in a typical performance setting. This may require placing the intern into relatively challenging and rapidly changing environments, requiring them to rapidly achieve high performance standards, rather than an internship design, which facilitates an incremental learning process for interns. Therefore, internships
designed towards effective employee selection should challenge the intern’s skills, and thus risk poor performance to allow evaluation of required post-employment skill sets such as in-role performance and proactive behaviours. Hence, if an organisation wishes to leverage internships as a screening tool, they should not design internships narrowly to promote only intern-learning opportunities, as this design only allows evaluation of the intern’s potential to learn, rather than their ability to immediately perform in subsequent employment situations.

However, the provision of learning opportunities is also important during the internship experience, since although the findings indicate that learning opportunities did not influence intention to convert, they did influence internship satisfaction. Therefore, designing an internship solely to evaluate selection criteria such as in-role performance, at the expense of learning opportunities may impact adversely on a host organisations ability to attract interns. For instance, dissatisfied interns may provide negative publicity for the organisation, and word of mouth amongst peers is an influential recruitment tool (Kilduff, 1990; Van Hoye & Lievens, 2005). Therefore, the managers of the host organisations are required to consider the optimal balance between a learning and selection orientation when designing their internship programs. The characteristics of their industry may provide managers with guidance when making this decision. For instance, Chen and Klimoski (2003) found that newcomers in the IT industry were required to achieve high levels of performance within three months of employment, whereas organisations in other industries typically allowed for considerably longer periods of adaption of new employees before meeting performance requirements (Bauer, Morrison, & Callister, 1998). Therefore, in industries requiring new employees to perform immediately, it is advisable that managers construct internships to screen for interns with existing ability to perform on ‘Day One’ of employment, whereas in industries not requiring immediate performance, more incremental learning can be incorporated into the internship experience.

In addition, as this study establishes parallels between interns’ and newcomers’ organisational experience, it may be advantageous for host organisations to design internships to more closely mirror regular newcomer employees’ organisational entry experience, for instance by incorporating the induction programs and job
assignments that are usually provided to newcomers. This alignment of the internship and newcomer experience will provide host organisations with a more reflective picture of how interns are likely to adapt to regular employment, whilst also aligning interns’ expectations with the reality of that organisation’s operations. Furthermore, designing internships as an extension of the newcomer organisational entry process has additional benefits for the host organisation, as it will facilitate an accelerated post-employment on-boarding for converted interns, allowing them to be more productive regular employees, earlier in their employment tenure.

The findings also highlight the pivotal role of the intern-supervisor relationship represented by LMX for determining internship outcomes. Thus, interns should be assigned supervisors with a proven capability to mentor and develop high-quality exchange relationships with junior employees. As quality social exchange relationships take time to develop, it is important that the host organisations formally recognise the responsibilities associated with supervising an intern, which may require reassigning some of the supervisors’ regular employment duties so that they have adequate time and motivation for developing high-quality relationships with interns. In addition, host organisations should also formally incorporate activities, which strengthen the intern-supervisor relationship; for instance feedback sessions and opportunities for social interaction between interns and their supervisors.

Enhancing the ability of internships to successfully convert interns into regular employees is of heightened relevance to managers operating in China, due to the current need to attract and identify scarce talent amongst the abundant supply of university graduates (Chatterjee et al., 2013; Farrell & Grant, 2005). In particular, it is advisable that host organisations in China design their internships to identify proactive interns, as these interns will be better suited to adapting to meet the changing demands of contemporary organisations in China (Dickel & Watkins, 2008; Manpower Group, 2012; Taylor 2007). In addition, internships provide host organisations a means to address concerns regarding the work readiness of Chinese graduates (Johnson & Weiss, 2008; Venter, 2002), as this study suggest that correctly-designed internships are able to identify interns who are able to rapidly perform in their employment positions after graduation, rather than requiring
significant time and organisational resources in order to enable their effective transition from university student to productive employee.

Furthermore, internships designed as part of the selection process can reduce an organisation’s traditional reliance on university rank as selection criteria for new graduates in China (Hartog et al., 2010; Lee, 2007), a practice which is particularly advisable for organisations which do not have a strong employment brand within China, as they do not have preferential access to the limited supply of graduates from prestigious Chinese universities (Buderi & Huang, 2006; Venter, 2002). Hence, it is advocated that, for the less visible and less well-resourced organisations, internships should be used as a means to screen the large supply of Chinese graduates from non-elite universities in the search for talented future employees who may be overlooked by larger organisations, whilst internships can also be used to enhance their employment brand amongst graduates. However, managers should be aware that the ability of internships to attract, recruit, and select talented Chinese graduates may be undermined by the influence of guanxi on employment outcomes. This is because, if interns or potential interns perceive internship conversion outcomes to be predetermined by guanxi, it is likely to be difficult in the future to attract talented interns who hope to gain employment on merit. Thus, a level of transparency is required in the selection process associated with internships, which could include intern post-internship debriefs, discussing selection criteria used and future employment opportunities with the host organisation, in order to mitigate threats to the value of internships as a recruitment and selection tool posed by guanxi.

The findings of this study also have implications for managers operating in China, which go beyond those directly related to the design of internship programs, as the findings provide insights into the appropriate approach for managing the next generation of Chinese employees. The findings suggest that when managing the younger generation of Chinese employees, managers can increasingly adopt management practices, which converge with those, used to manage Western employees. This may require a less homogeneous approach to management in the Chinese workplace when managing employees across generational cohorts. For instance, if managers wish to invoke proactive behaviours from younger employees, developing an employee-supervisor LMX relationship based on more egalitarian
employee-supervisor relationships will likely be advantageous. In contrast, the older generation of Chinese employees may feel more comfortable operating within in the traditionally Chinese hierarchical relationships with their supervisor, in which the supervisor adopts a more paternalistic style of leadership (Farh & Cheng, 2000). This study also highlights that it is increasingly important for managers to be aware of the rapidly changing values of the younger generation of Chinese employees, as in the near future this generation will inevitably represent a majority of the Chinese workforce. Thus necessitating that managerial practices evolve to increasingly align with the values of the younger generations of Chinese employees as represented by the interns in this study, in order to leverage their strengths such as proactive personalities to build and maintain organisational competitive advantage.

7.7. Limitations and Future Research Directions

Although the findings of this study have a number of distinct empirical strengths when contrasted with a majority of previous work investigating internships, in common with all empirical research, this study also has several limitations which should be noted, and which point to avenues for future research. Firstly, a longitudinal research design, which utilises additional intervals of data collection and levels of analysis, would strengthen the findings. However, Kulik (2011) argues that achieving this ideal with methodological rigour is not always practically feasible, as it requires access to sizable samples at multiple organisational levels in multiple organisations, at multiple intervals. As a result, this study within practical limitations allows for a reasonable degree of confidence in its findings, primarily by taking steps to mitigate threats from Common Method Variance (CMV), by drawing the data from two sources at multiple time intervals, and performing post-ad hoc analysis.

There are number of a number of further ways which future studies could improve on this study’s research design. Firstly, this study was reliant on self-reported for data for gauging a number of the variables in the model. For instance, although it is common practice to measure variables such as LMX solely from the follower’s perspective (Zhang et al., 2012), some researchers suggest that examining leader-follower agreement in this measure will increase the robustness of the data (Gerstner & Day, 1997). Furthermore, although the intern-supervisor dyadic level of analysis
used in this study is appropriate, because supervisors can reasonably represent the host organisation, the addition of multi-level analysis in future studies would be advantageous, particularly the addition of a team-level of analysis, as it is plausible that the intern’s team influenced some outcomes included in the hypothesised model for instance in-role performance and learning (Kammeyer-Mueller & Wanberg, 2003).

A further limitation of this study is that the direction of causality in some of the hypothesised relationships cannot definitively be established. For instance, it is theoretically plausible that the causation from LMX to intern in-role performance could be reversed, as the intern’s in-role performance could influence their supervisor’s behaviour towards the intern leading to higher-quality LMX relationships (Bauer & Green, 1996; Green & Mitchell, 1979). Similarly, a reversed causation between intern satisfaction and in-role performance is also theoretically possible (Naylor et al., 1980; Vroom, 1964). However, given the short duration of the internship, and that the intern-supervisor dyads were newly established, coupled with the sequence of data collection in this study, causation in the hypothesised direction is probable. Nevertheless, alternative causal orders and mechanisms in the model cannot be conclusively ruled out. Therefore, if future studies could study internships of longer duration, with a longitudinal reproach design, which adds additional intervals with longer spacing between them, the direction of the causal relationships in the model could be more conclusively established.

In addition, future work building on the model tested in this study could explore additional unmeasured variables, which may help to explain the pattern of results detected. For instance, an intern’s horizontal relational linkages with peers may also influence proactive behaviours (Higgins & Thomas, 2001; Morrison, 2002). It is also plausible that external labour market conditions may influence intern conversion decisions, as perceived employment alternatives are known to influence job seekers’ employment decisions (Day, 2005; Hulin, 1991; Mobley, Griffeth, Hand, & Meglino, 1979).

With regards to advocating internships as a selection setting, this study did not directly measure the extent to which the internships in the study were reflective of a
typical performance setting. Therefore, it is unknown whether interns perceived their internship as a selection setting designed to evaluate their maximum performance, which may have impacted on their behaviour during internships. Thus, it would be informative for future research to measure the extent to which the interns perceived their internship experience as a maximum performance selection context. In addition, it would also be informative if internships are investigated as a component of a multiple-hurdle recruitment and selection process, in a study incorporating other stages of selection process, including pre-internship screening, interviews, personality tests, and resumes.

A final note regarding the findings relates to the generalisability of the findings to non-Chinese internship contexts, which is unknown without further testing in alternative national contexts. For instance, it is plausible, given China’s relationship orientated culture (Farh et al., 1998), that the impact of LMX in the model may have been amplified in this study. However, a degree of generalisability of the findings to non-Chinese internship contexts is probable given an increasing body of research demonstrating convergent research results between Western and Chinese samples (Chen, Tjosvold, et al., 2006; Li et al., 2011), coupled with the converging values of the generational cohort comprising this study’s sample (Gu et al., 2010). However, it would still be of interest for future research to empirically validate to what degree the results of the current study may be culturally specific.

7.8. Final Word

The past three decades have witnessed a rapid expansion in the use of internships as an entry point into organisational life globally and particularly in China. However, research regarding the determinants of the conversion from intern to regular employees with their host organisations has remained sparse. Therefore, this study makes a substantial theoretical contribution to the internship literature, by revealing specific relationships and mechanisms, which influence the conversion of interns into regular employees. From this empirically substantiated theoretical base, the study is able to contribute by addressing practitioner’s needs for enhancing the effectiveness of internships as a component of their recruitment and selection efforts. Furthermore, this study also sheds light on the commonalities between an intern and a regular
employee’s experience of organisational life by representing, for the first time a number of established organisational theories that have been extended into the relatively unique employment context of internships, whilst also highlighting limitations in the applicability of transplanted theories from regular employment settings. Furthermore, this study is able to offer valuable insights into the characteristics of the generational cohort, who in the near future will constitute a majority of the Chinese workforce. Finally, future research can build on the theoretical base established in this study, when endeavouring to better predict intern conversion and enhance the effectiveness of internships from a host organisation’s recruitment and selection perspective.
## Appendix 1: Selected Previous Empirical Internship Studies

<p>| (Alpert, Heaney, &amp; Kuhn, 2009) | 35 student interns, 23 faculty, 20 host organisations | Survey - Descriptive | Consensus was found among the stakeholder groups, with some notable differences, including the importance of the academic aspect in internships; mutual understanding concerning needs and constraints; and the requirement that companies, students, and academics take a long-term view of internship programs to achieve mutually beneficial outcomes. |
| (Beard, 1998) | 316 administrators of internship programs | Survey - descriptive. | A majority of internship programs are for credit, take place in the junior year of study, are paid, and require a written project at the end. |
| (Beck &amp; Halim, 2008) | 250 accounting interns | Survey - descriptive | Interns reported the most significant learning outcome was development of personal and interpersonal skills. They also felt that the internship was beneficial for their future career choices and professional development. |
| (Beebe et al., 2009) | 290 Public Relations interns | Survey - correlation/regression | Paid internships, learning job skills, having a good relationship with a supervisor, and having opportunity for advancement were all positively linked to internship satisfaction. |
| (Beenen &amp; Mrousseau, 2010) | 110 MBA interns | Survey - hierarchical regression (longitudinal) | Learning partially mediated the relationship between goal clarity and job acceptance intentions, and less experienced interns learn more under conditions of high goal clarity and low autonomy. |
| (Brumm et al., 2006) | 67 stakeholders including, students, faculty and employers | Interviews - descriptive | Stakeholders regarded internships as important for developing student competencies. |
| (Brooks et al., 1995) | 165 interns and non-interns. | Survey - Correlation/regression | Participation in internships is positively related to self-concept crystallisation, however it is not related to occupational information, self-efficacy, vocational commitment. Furthermore, internship characteristics of task variety, feedback and opportunities for interpersonal contact were also positively related to crystallisation of self-concept, occupational information and self-efficacy. |
| (Blair et al., 2004) | 780 interns, 4,276 non-interns | Survey - correlation/regression | Internship participation had a positive relationship with GPA and post-graduation starting salary. |</p>
<table>
<thead>
<tr>
<th>Reference</th>
<th>Sample Size/Description</th>
<th>Methodology</th>
<th>Findings/Implications</th>
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<tr>
<td>(Callanan &amp; Benzing, 2004)</td>
<td>88, business school alumni, former interns, 75 alumni, non-interns</td>
<td>Interviews - descriptive</td>
<td>Internship participants had no higher confidence in their selection of employment positions post-graduation.</td>
</tr>
<tr>
<td>(Cappelli, Shapiro, &amp; Shumanis, 1998)</td>
<td>National Employer survey (NES) data.</td>
<td>Secondary - descriptive</td>
<td>17% of employers offered internships, and 11% co-op programs</td>
</tr>
<tr>
<td>(Cannon &amp; Arnold, 1998)</td>
<td>165 marketing major students.</td>
<td>Survey - correlation/regression</td>
<td>Students emphasise the importance of internships for career advantage, rather than their educational benefits</td>
</tr>
<tr>
<td>(Chapin, Roudebushe, &amp; Krone, 2003)</td>
<td>54 university construction management programs</td>
<td>Secondary - descriptive</td>
<td>91% of programs incorporated some type of co-operative education, 59% of programs mandated it as a graduation requirement.</td>
</tr>
<tr>
<td>(Chin, Munby, Hutchinson, &amp; Steiner-Bell, 2000)</td>
<td>782 education and nursing major students</td>
<td>Survey - descriptive</td>
<td>Describe why interns participated in internship, 48% to try out already chosen career 38% participated in internship.</td>
</tr>
<tr>
<td>(Cheung &amp; Arnold, 2010)</td>
<td>101, student interns and student participants in career seminars.</td>
<td>Survey - descriptive</td>
<td>Relational support provided to students was positively related to career exploitation.</td>
</tr>
<tr>
<td>(Chung, Chang, &amp; Chiu, 2008)</td>
<td>173 interns</td>
<td>Survey - correlation/regression</td>
<td>Interns’ altruism was positively related to interns’ knowledge-sharing behaviour, and that of interns with lower self-efficacy was related to knowledge sharing behaviour, via mentor-intern interactions.</td>
</tr>
<tr>
<td>(C-S &amp; C-W, 2012)</td>
<td>459 hospitality major interns</td>
<td>Survey - correlation/regression</td>
<td>Internship program planning, industry involvement, student commitment, have a positive relationship with internship satisfaction.</td>
</tr>
<tr>
<td>(Cook et al., 2004)</td>
<td>351 student interns</td>
<td>Survey - descriptive (longitudinal)</td>
<td>Former interns’ perceptions of internship programs remained stable, at 9 time periods over 10 years.</td>
</tr>
<tr>
<td>(Coco, 2000)</td>
<td>242 schools in the association of collegiate business, school Programmes.</td>
<td>Survey data (secondary) - descriptive &amp; opinion piece</td>
<td>Increasing popularity of internships as they provide real world experience and enhance graduates employability.</td>
</tr>
<tr>
<td>(Cunningham &amp; Sagas, 2004)</td>
<td>54 sports management major, interns</td>
<td>Survey - correlation/regression</td>
<td>Intern’s intent to enter the sports management profession, decreased over the duration over the internship.</td>
</tr>
<tr>
<td>(D’Abate et al., 2009)</td>
<td>111 business major, interns</td>
<td>Survey - correlation/regression</td>
<td>Internship’s characteristics of task significance, feedback and work environment, learning opportunities and supervisor support contributed to internship satisfaction.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Sample Size</td>
<td>Methodology</td>
<td>Findings</td>
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</tr>
<tr>
<td>D'Abate, 2010</td>
<td>322 senior business majors</td>
<td>Survey - Regression</td>
<td>Internship participation results in more career development support, more job satisfaction, more career satisfaction, more organisational commitment, and faster promotion rates.</td>
</tr>
<tr>
<td>Daugherty, 2011</td>
<td>223 public relations major, interns 183 host organisation, supervisors</td>
<td>Phenomenological - descriptive</td>
<td>Interns desired more skill development, and hands-on training, whereas supervisors perceived their role as exposing interns to the public relations industry in a holistic manner.</td>
</tr>
<tr>
<td>Douglas &amp; Brewer, 1999</td>
<td>2,093 managers who had employed new employees</td>
<td>Survey - correlation/regression</td>
<td>Internship participants, performance post-employment was not significantly higher.</td>
</tr>
<tr>
<td>Dixon et al., 2005</td>
<td>71 Sports and recreation, interns</td>
<td>Survey - correlation/regression</td>
<td>Job challenge in internships was positively related to affective organisational commitment amongst interns.</td>
</tr>
<tr>
<td>English &amp; Koeppen, 1993</td>
<td>57 accounting major interns 57 accounting major, non-interns</td>
<td>Survey - correlation</td>
<td>Participation in accounting internships had a positive relationship with, GPAs in accounting related subjects.</td>
</tr>
<tr>
<td>Eyler, 1995</td>
<td>219 interns</td>
<td>Survey - descriptive</td>
<td>Internship participants regarded the major benefits of internships to be organisational understanding, employment advantage, and job skills and learning.</td>
</tr>
<tr>
<td>Fuller &amp; Schoenberger, 1991</td>
<td>230 students</td>
<td>Survey - correlation</td>
<td>Internship participation had no relationship with long-term salaries.</td>
</tr>
<tr>
<td>Freedman &amp; Adam, 1996</td>
<td>7 finance major, interns 25 finance major non-interns</td>
<td>Observational</td>
<td>The process of classroom learning differs from that learning in the workplace.</td>
</tr>
<tr>
<td>Feldman et al., 1999</td>
<td>138 business major, overseas internships</td>
<td>Survey - correlation/regression</td>
<td>Interns with different nationality and gender from their mentors were less likely to receive task-related, social-related and career-related support, resulting in lower socialisation, learning, and likelihood to receive job offer.</td>
</tr>
<tr>
<td>Feldman &amp; Weitz, 1990</td>
<td>72 business major, interns</td>
<td>Questionnaire - descriptive</td>
<td>Interns identified factors to contributing to a successful internship including their internship expectations, socialisation, and the internship’s work design, fit between internships and career plans, and the expectations of</td>
</tr>
<tr>
<td>Reference</td>
<td>Sample Population</td>
<td>Methodology</td>
<td>Findings</td>
</tr>
<tr>
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<td>----------</td>
</tr>
<tr>
<td>(Forde &amp; Medows, 2011)</td>
<td>Journalism major, interns and host organisations (sample size not specified)</td>
<td>Interviews, peer-reflective Seasons and Focus Groups-descriptive</td>
<td>Student learning through the internship placement scheme takes place at several levels: through workplace variability; students’ diverse internship experiences; and participation in a post-internship peer reflective session.</td>
</tr>
<tr>
<td>(Gault et al., 2000)</td>
<td>98 business school alumni, former interns, and 46 alumni, non-interns</td>
<td>Survey - correlation</td>
<td>Internship participation had a negative relationship with, average time to find first job and had a positive relationship with post-graduation starting salaries.</td>
</tr>
<tr>
<td>(Garavan &amp; Murphy, 2001)</td>
<td>6 businesses, humanities and engineering major interns</td>
<td>Interview - descriptive</td>
<td>Interns identified stages of internships; getting in, breaking in, and settling in.</td>
</tr>
<tr>
<td>(Haag, Guilbeau, &amp; Goble, 2006)</td>
<td>40 managers in the engineering industry</td>
<td>Survey - descriptive</td>
<td>Internship participants at the undergraduate and graduate level of study possessed the same competencies.</td>
</tr>
<tr>
<td>(Hall, Stiles, Kuzma, &amp; Elliott, 1995)</td>
<td>173 business school interns and 146, employers</td>
<td>Survey - SEM</td>
<td>Interns were more likely than employers to expect, that a successful internship should result in a job offer and that they should receive payment.</td>
</tr>
<tr>
<td>(Hurst et al., 2012)</td>
<td>141 interns retail</td>
<td>Survey - Delphi study</td>
<td>Findings indicate that employers can establish a foundation for intern retention by fulfilling obligations, both implicitly and explicitly. Furthermore, to ensure continued success of their interns, retailers should rely on supervisors and/or mentors to provide guidance, support and feedback.</td>
</tr>
<tr>
<td>(Hymon-Parker, 1989)</td>
<td>25 educators in fashion design 41 key informants in the retail industry</td>
<td>Interviews - descriptive</td>
<td>Internship strengths identified, as preparation for the business world; weaknesses identified lack of structure.</td>
</tr>
<tr>
<td>(Hynie et al., 2011)</td>
<td>20 graduate research interns</td>
<td>Interviews - descriptive</td>
<td>Interns reported, generating concrete outcomes for community partners and obtaining of new research and professional skills and enhanced understanding of theoretical knowledge.</td>
</tr>
</tbody>
</table>
| (Keating, 2012) | 158 hospitality major | Survey - descriptive | Interns felt an industry mentor was necessary and that lack of mentorship
<table>
<thead>
<tr>
<th>Source</th>
<th>Participants</th>
<th>Data Collection Method</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kim et al., 2011</td>
<td>473 institutions that have AACSB accreditation on Web Sites, 32 intern surveys</td>
<td>Survey &amp; Secondary data - Descriptive</td>
<td>Most schools (96.5%) offer some type of internship course but only a few schools (4.5%) require students take an internship course. The pass/no pass grading system were preferred by a majority of universities (85%). Students need to work an average of 169 hours for 3-credit internship courses. The most popular prerequisites are: GPA of 2.5 or higher; permission from an advisor or coordinator (62.5%); and various other restrictions such as school minimum accumulated credit hours (22.5%) and specific courses (33%).</td>
</tr>
<tr>
<td>Knechel &amp; Murphy, 2001</td>
<td>137 logistics students, 64 host organisations.</td>
<td>Survey - descriptive</td>
<td>Interns had higher expectations, in regards to what the internships should provide them (i.e. pay) relative to the organisations expectations.</td>
</tr>
<tr>
<td>Knouse et al., 1999</td>
<td>771, business school alumni, former interns and 346 non -interns</td>
<td>Survey - regression</td>
<td>Internship participants had an employment advantage directly after graduation; however, this disappeared six months later.</td>
</tr>
<tr>
<td>Lam &amp; Ching, 2007</td>
<td>307, hospitality major, interns</td>
<td>Survey - correlation/regression</td>
<td>Internship supervision, team-spirit, involvement and autonomy are positively related to internship satisfaction.</td>
</tr>
<tr>
<td>Liu et al. (2010)</td>
<td>Participants in China’s Summit of cooperative education 2009, 879 universities and research institutes, 51 host organisations, 269 interns</td>
<td>Questionnaire - descriptive</td>
<td>96.99% of universities and colleges have internships/co programs, programs are ranked as important for institutions, in developing student’s talent, primarily in regards to practical skills and social skills. Student interns regarded internships as speeding up adaption to the workplace, and development of working ethos. In addition host organisations rated internships less favourably less favourable than other parties, in regards to areas such as professional knowledge and innovation.</td>
</tr>
<tr>
<td>Liu, Xu, Weitz (2011)</td>
<td>167 interns in the retail industry</td>
<td>Survey - correlation/regression</td>
<td>Interns’ emotional expression and social activities are positively related to their learning and receiving mentoring, which is subsequently linked to an</td>
</tr>
</tbody>
</table>
Intern’s satisfaction and affective commitment.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Sample Size</th>
<th>Data Collection Method</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liu, 2012</td>
<td>192 accounting major interns, at 14 accounting firms</td>
<td>Survey - SEM (exploratory)</td>
<td>Participation in internship programs were not related to improved socialisation skills. The organisational culture and interns mastering of accounting impacts, on program outcomes.</td>
</tr>
<tr>
<td>Maskooki et al., 1998</td>
<td>93 finance programs at AACSB accredited colleges</td>
<td>Secondary - descriptive</td>
<td>74% of schools offered some form of internship program, 45% required minimum GPA, fewer than 25% of finance major students participated in these programs.</td>
</tr>
<tr>
<td>Masumoto, 2004</td>
<td>19 Interns from the U.S, and 36 of Japanese supervisors in Japanese organisations</td>
<td>Interview/longitudinal - descriptive</td>
<td>Interns’ and supervisors’ expectations and perceptions regarding utilisation of time. For instance, interns felt there was too much idle time and uncertainty in the workplace, and indicated a lack of timely feedback, whereas supervisors felt that they had provided continuous feedback.</td>
</tr>
<tr>
<td>Maynard, 1999</td>
<td>132 public relations major, interns</td>
<td>Secondary data - correlation</td>
<td>Internship performance had a positive relationship with GPA (Internship performance only gauged as pass/fail)</td>
</tr>
<tr>
<td>Meredith &amp; Burkle, 2008</td>
<td>92 interns, in consultancy groups 12 host organisations</td>
<td>Survey &amp; case study - descriptive</td>
<td>Both parties indicated that internships built bridges between university and industry.</td>
</tr>
<tr>
<td>Mihail, 2006</td>
<td>11 interns</td>
<td>Case study - descriptive</td>
<td>Internships link theoretical knowledge and practice, and enhance employability upon graduation.</td>
</tr>
<tr>
<td>Moghaddam, 2011</td>
<td>561 interns and students (number in each group not specified)</td>
<td>Survey - correlation</td>
<td>This study suggests that students overall find themselves academically prepared for business internships, and that the internships are an effective means of providing them with business education and preparing them for their future careers. Such perceptions/expectations are, however, stronger for those students who have not yet taken internships. Likewise, personality traits have more impact on perceptions/expectations of those students who have not yet taken an internship.</td>
</tr>
<tr>
<td>National Association of College Employers (NACE), 2011</td>
<td>20,000 college students</td>
<td>Survey - descriptive</td>
<td>90% of interns who took part in internships said they would accept a fulltime offer, and internalised values of the host organisation.</td>
</tr>
<tr>
<td>National Association of College and</td>
<td>266 NACE member host organisations</td>
<td>Survey - descriptive</td>
<td>An average of 39.1% of employers’ entry-level hires from the Class of 2010 came from their own internship programs. Responding organisations converted, on average, 57.7% of their interns into full-time hires, the</td>
</tr>
<tr>
<td>Study</td>
<td>Participants</td>
<td>Methodology</td>
<td>Findings</td>
</tr>
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</tr>
<tr>
<td>Employers (NACE), 2011</td>
<td></td>
<td></td>
<td>highest conversion rate seen since NACE started tracking it on an annual basis in 2001.</td>
</tr>
<tr>
<td>(National Association of College Employers (NACE), 2012b)</td>
<td>48,000 college students</td>
<td>Survey - descriptive</td>
<td>60% of student-interns who took paid internship received job offers, 37% unpaid and 36% interns, number of interns of organisations offering internships increased by 8.5% from 2011 to 2012, 90% of interns who took part in internships said they would accept fulltime offers.</td>
</tr>
<tr>
<td>(National Association of College and Employers (NACE), 2012)</td>
<td>280 NACE member host organisations</td>
<td>Survey - descriptive</td>
<td>The number of interns of organisations offering internships increased by 8.5% from 2011 to 2012.</td>
</tr>
<tr>
<td>(Narayanan, Olk, &amp; Fukami, 2010)</td>
<td>65 interns</td>
<td>Survey - SEM</td>
<td>Roles of multiple stakeholders, characteristics including, prior university studies and project feedback, impact on internship satisfaction.</td>
</tr>
<tr>
<td>(Nagle &amp; Collins, 1999)</td>
<td>430 employers who were members of NACE</td>
<td>Survey - descriptive</td>
<td>84.9% of employers offered some form of internship.</td>
</tr>
<tr>
<td>(Neapolitan, 1992)</td>
<td>30 sociology major interns 30 non-intern</td>
<td>Survey - correlation/regression</td>
<td>Internship participation had a positive relationship with career clarity.</td>
</tr>
<tr>
<td>(Pedro, 1984)</td>
<td>90 retailing major student interns</td>
<td>Quasi-experimental</td>
<td>Post-internship participation, intern self-perceptions, preferences and some instrumental values and work specific needs where altered.</td>
</tr>
<tr>
<td>(Raymond &amp; McNabb, 1993)</td>
<td>196 business major students 87 host organisations</td>
<td>Survey - descriptive</td>
<td>Internships were regarded as the most effective method to prepare students for entry into the work-force.</td>
</tr>
<tr>
<td>(Randall &amp; Good, 1991)</td>
<td>71 marketing major department heads</td>
<td>Survey - descriptive</td>
<td>65% of these departments offered some form of internship program, a majority of which granted 3 credit hours for participation and 50% of internships provided no payment.</td>
</tr>
</tbody>
</table>
| (Resick et al., 2007)                                               | 299 student interns | Survey - | Intern organisation fit was more strongly related to job choice intentionsOUTHONG 1992

Raymond & McNabb, 1993)                                              | 196 business major students 87 host organisations | Survey - descriptive | Internships were regarded as the most effective method to prepare students for entry into the work-force.                                                                                           |
<p>| (Randall &amp; Good, 1991)                                              | 71 marketing major department heads | Survey - descriptive | 65% of these departments offered some form of internship program, a majority of which granted 3 credit hours for participation and 50% of internships provided no payment. |
| (Resick et al., 2007)                                               | 299 student interns | Survey - | Intern organisation fit was more strongly related to job choice intentions |</p>
<table>
<thead>
<tr>
<th>Study (Year)</th>
<th>Participants</th>
<th>Method</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Rothman, 2003)</td>
<td>143 interns</td>
<td>Survey - descriptive</td>
<td>Interns rated characteristics of skill variety, task variety, and experience in the corporate world, as the most favourable characteristics of their internships.</td>
</tr>
<tr>
<td>(Sagen et al., 2000)</td>
<td>293 former interns, 111 former cooperative education participants, 608 individuals who did not participate on internships or cooperative education</td>
<td>Survey - correlation/regression</td>
<td>Internship participation had a positive relationship with initial career success. However, cooperative education participation did not.</td>
</tr>
<tr>
<td>(Scholz et al., 2004)</td>
<td>478 environmental science major, interns and 293 host organisation supervisors</td>
<td>Survey - correlation/regression</td>
<td>Internships enhanced intern learning related to their major field.</td>
</tr>
<tr>
<td>(Sublett &amp; Mattingly, 1995)</td>
<td>100 university geography programs.</td>
<td>Secondary data - descriptive</td>
<td>69% of these programs offered internships and 5% mandated it as a graduation requirement.</td>
</tr>
<tr>
<td>(Spinks &amp; Wells, 1994)</td>
<td>107 deans of AACSB accredited business schools.</td>
<td>Survey - descriptive</td>
<td>Internships were generally viewed favourably, with strong support for their inclusion in their respective schools’ programs.</td>
</tr>
<tr>
<td>(Siegel &amp; Rigsby, 1988)</td>
<td>132 auditors, former interns prior to employment, 598 auditors with no internship prior to employment.</td>
<td>Survey - correlation/regression</td>
<td>Internship participation had no significant relationship with subsequent professional performance.</td>
</tr>
<tr>
<td>(Siegel et al., 2010)</td>
<td>Chartered Professional Accounting firms with internship programs.</td>
<td>Secondary data - descriptive</td>
<td>The interns achieved a higher promotion rate than non-interns. The non-interns had a higher turnover rate than employees who had previously undertaken internships.</td>
</tr>
<tr>
<td>Study</td>
<td>Participants</td>
<td>Methodology</td>
<td>Findings</td>
</tr>
<tr>
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</tr>
<tr>
<td>(Song &amp; Chathoth, 2011)</td>
<td>121 employees, former interns 121, 96 employees, non-interns.</td>
<td>Survey - SEM</td>
<td>Person-organisation fit mediates the relationship between global self-esteem and choice intention fully, and between global self-esteem and overall job satisfaction partially.</td>
</tr>
<tr>
<td>(Taylor, 1988)</td>
<td>336 hospitality major, interns</td>
<td>Study 1: Survey - correlation</td>
<td>Study 1: Internship participation did not have a relationship with starting salary, satisfaction and job offers.</td>
</tr>
<tr>
<td></td>
<td>Study 2: Quasi-experimental</td>
<td></td>
<td>Study 2: Recruiters evaluated mock resumes including internship experience more favourably.</td>
</tr>
<tr>
<td>(Weible &amp; Virginia, 2010)</td>
<td>180 deans of all U.S. business programs.</td>
<td>Survey - descriptive</td>
<td>34% of respondents reported internships inspired students to start a business, 84% that the business school felt a stronger connection with the community, and 81% reported that their school’s reputation was positively affected by internships.</td>
</tr>
<tr>
<td>(Wesley &amp; Bickle, 2005)</td>
<td>64 retail major interns.</td>
<td>Survey - descriptive</td>
<td>89% of interns revealed that their internships consisted of characteristics they sought in employment after graduation.</td>
</tr>
<tr>
<td>(Zhao &amp; Liden, 2011)</td>
<td>122 interns 122 supervisors.</td>
<td>Survey - correlations/regression</td>
<td>60% of the internships concluded with job offers, the interns wishing to be hired were more likely to use self-promotion and integration, and organisations wishing to employ were more open to interns’ creativity, which increased interns’ application intentions.</td>
</tr>
</tbody>
</table>
Appendix 2: Interview Information Sheet

Dear Participant,

My name is Philip Rose and I am currently employed as faculty at Xiamen University, in Fujian China, and I am co-currently a PhD candidate at Curtin University in Western Australia. This research aims to contribute towards China’s sustained economic development, by investigating the development of the next generation of Chinese talent.

In this interview, you will be asked about your opinions and experiences with respect to various aspects of your personal experience of internships. It is expected that the session will last for approximately 30 to 45 minutes. The information gathered will contribute towards my Ph.D dissertation. Furthermore, I anticipate that the information from the interview will be useful to help further develop the internship programs. I hope that you will share your experiences so that the results of this interview will be comprehensive and meaningful.

Your participation is completely voluntary. All responses will be treated with the utmost confidence. Philip Rose is the only person who will have access to the data obtained from this study, and no personally identifying information will be stored. The data will be stored in accordance with Curtin University’s ethical guidelines and will be presented only in aggregate form at conferences and in publications. A copy of the final research findings will be available upon request by contacting Philip Rose. You can choose to discontinue and withdraw from the questionnaire at any time.

By completing this interview, you give your consent to the aforementioned uses of the gathered data. Any questions regarding this study may be directed to Philip Rose (Ph. +86 0596 6288541, email: Philip@xujc.com). If you have any ethical complaints regarding this study, you can contact the Curtin Human Research Ethics (CHRE) Committee Secretary (hrec@curtin.edu.au). This Research has been approved by the CHRE committee approval number HRE-SOM-15-11.

Thank you very much for your interest and time in helping to make this study possible.

Kind Regards,

Philip Rose
Appendix 3: Interview Guides

Interview Guide (Intern)

I am interested in knowing about your experiences as they relate to your experience of internships.

1. What factors would you regard as influential regarding your general satisfaction with your internship?
2. Can you tell me about the events, which you regard as positive or negative relating to your internship experience?
3. What factors during an internship would influence your intention to become a regular employee with the host-organisation of your internship, after graduation?

*Additional prompts added by the interviewer as necessary.*

Base Interview Guide (Host-Organisation Representative)

I am interested in knowing about your experiences as they relate to your experience of internships at your organization.

1. What factors would you regard as influential regarding your general satisfaction with interns in your organisation?
2. Can you tell me about factors which you regard as positive or negative about your organisation providing internships?
3. What are the factors that influence your intention to convert an intern to regular employment with your organisation after they graduate?

*Additional prompts added by the interviewer as necessary.*
Dear Participant,

My name is Philip Rose and I am currently employed as faculty at Xiamen University, in Fujian China, and I am co-currently a PhD candidate at Curtin University in Western Australia. This research aims to contribute towards China’s sustained economic development, by investigating the development of the next generation of Chinese talent.

In this questionnaire, you will be asked about your opinions and experiences with respect to various aspects of your personal experience of internships. It is expected that the questionnaire will take approximately 15 minutes (supervisor 5 minutes) to complete. I anticipate that the information from the questionnaire will be useful to help further develop the internship programs. I hope that you will share your experiences so that the results of this interview will be comprehensive and meaningful.

Your participation is completely voluntary. All responses will be treated with the utmost confidence. Philip Rose is the only person who will have access to the data obtained from this study, and no personally identifying information will be stored. The data will be stored in accordance with Curtin University’s ethical guidelines and will be presented only in aggregate form at conferences and in publications. A copy of the final research findings will be available upon request by contacting Philip Rose. You can choose to discontinue and withdraw from the questionnaire at any time.

By completing this interview, you give your consent to the aforementioned uses of the gathered data. Any questions regarding this study may be directed to Philip Rose (Ph. +86 0596 6288541, email: Philip@xujc.com). If you have any ethical complaints regarding this study, you can contact the Curtin Human Research Ethics (CHRE) Committee Secretary (hrec@curtin.edu.au). This Research has been approved by the CHRE committee approval number HRE-SOM-15-11.

Thank you very much for your interest and time in helping to make this study possible.

Kind Regards,

Philip Rose

Appendix 4: Survey Cover letter
Appendix 5: Intern Survey (Time-1)

PART ONE

QQ : _______________ E-mail : _______________ Phone Number : _______________
Student ID : _______________ University : _______________

Please respond by ticking only one box to the question.

1. Gender: ☐ Male ☐ Female

2. Year of Study: ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th

3. Do you intend to undertake postgraduate study after completion of your degree?
   ☐ Yes ☐ No

4. Age: _______

5. What is the e-mail address and or QQ number of your immediate supervisor during your internships?
   Supervisors E-mail: _______________ Supervisors QQ: _______________

6. Major
   ☐ Accounting ☐ Finance ☐ Banking
   ☐ Marketing ☐ Logistics Management ☐ Electronic Commerce
   ☐ Business Management ☐ International Business ☐ Tourism Management
   Other (please specify) _______________

7. Which industry best described the main purpose of your internship organisation?
   ☐ Manufacturing ☐ Information Technology ☐ Finance/Banking
   ☐ Sales (non-retail) ☐ Hospitality/Tourism ☐ Civil Service
   ☐ International Trade ☐ Retail ☐ Education
   Other (please specify) _______________

8. What was the ownership structure of your host organisation?
   ☐ State Owned Enterprise ☐ Domestic Privately Owned ☐ Foreign Owned
   ☐ Government Department ☐ Joint Ventures

9. Which payment did you receive for your internship per month?
   ☐ No Payment ☐ 0-500 RMB ☐ 500-1000 RMB
   ☐ 1000 – 1500 RMB ☐ 1500 – 2000 RMB ☐ Over 2000 RMB

10. In which city was your internship? ___________________

11. What was the length of your internship in weeks? ___________________

12. Was the internship position arranged by your university?
   ☐ Yes ☐ No
PART TWO

Please respond by ticking only one answer to the question, and please remember that only the researcher will have access to these responses.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
<th>Somewhat Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. If I see something I do not like, I fix it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2. My supervisor has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<td>6</td>
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</tr>
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<td>3. My supervisor has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4. No matter the odds, if I believe in something I will make it happen.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5. My internship provided me with a chance to learn a lot about the field, profession, or business</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>6. I love being a champion for my ideas, even against others’ opposition.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7. My supervisor recognizes my potential.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>8. My supervisor understands my problems and needs.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>9. I excel at identifying opportunities.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>10. I usually know where I stand with my supervisor.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>11. I am always looking for better ways to do things.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>12. If I believe in an idea, no obstacle will prevent me from making it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>13. Regardless of how much power he/she has built into his/her position, my supervisor would be personally inclined to use his/her power to help me solve problems in my work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>14. My internship taught me a lot of things that I would never have been able to learn in the classroom.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>15. My internship helped me learn many new things.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Question</td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Somewhat Disagree</td>
<td>Neither Disagree or Agree</td>
<td>Somewhat Agree</td>
<td>Agree</td>
<td>Strongly Agree</td>
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<td>-------------------------------------------------------------------------</td>
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<tr>
<td>16. I was very satisfied with my internship.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>17. I desire and intend to remain at my internship company in full-time employment after I complete my internship.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>18. I frequently thought of extending my internship time.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>19. I was generally satisfied with the kind of work I did during my internship.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>20. I can count on my supervisor to “bail me out” even at his or her own expense when I really need it.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Very Negative</th>
<th>Neutral</th>
<th>Very Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. How would you characterise your working relationship with your immediate supervisor?</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

22. Was guanxi used to obtain your internship position?

☐ Yes  ☐ No (if no go to question 30)

23. Was you or your parent’s guanxi used to obtain the internship position?

☐ Mine  ☐ Parents

24. What was the type of relationship with the guanxi-person who helped you obtain this internship?

☐ Immediate Family  ☐ Family  ☐ Distant Family
☐ Best Friend  ☐ Friend  ☐ Friend of Friend
☐ Friend of Immediate Family  ☐ Friend of Family  ☐ Mutual Benefit. acquaintance
☐ Agent
25. There was a strong relationship with the *guanxi* person.  

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
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<th>Agree</th>
<th>Strongly Agree</th>
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</tr>
</tbody>
</table>

26. There was a high level of trust with the guanxi person.  

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
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<th>Agree</th>
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<td>1</td>
</tr>
</tbody>
</table>

27. There was a close relationship between me/my parents and the guanxi person.  

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
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<td>1</td>
</tr>
</tbody>
</table>

28. The level of influence of the guanxi person’s position was significant, factor in me obtaining this internship position.  

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
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<td></td>
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<td>1</td>
</tr>
</tbody>
</table>

29. This guanxi person has significant influence relative to the internship organisation.  

<table>
<thead>
<tr>
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<th>Disagree</th>
<th>Somewhat Disagree</th>
<th>Neither Disagree or Agree</th>
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<th>Agree</th>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

30. How long do you intend to continue working at your internship company after graduation, if you were offered a position?  

<table>
<thead>
<tr>
<th>Refuse Job Offer</th>
<th>The Rest of my Career</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1 2 3 4 5 6 7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 6: Supervisor Survey (Time-2)

PART ONE:

*Please respond by ticking only one box to the question.*

QQ: _____________  E-mail: _______________  Phone Number: ___________

1. Gender: [ ] Male  [ ] Female
2. Age: _______

PART TWO

*Please respond by ticking only one answer to the question, and please remember that only the researcher will have access to these responses*

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
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<th>Somewhat Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. The internee made a significant contribution to the overall performance of their work unit.</td>
<td>[ ] 1</td>
<td>[ ] 2</td>
<td>[ ] 3</td>
<td>[ ] 4</td>
<td>[ ] 5</td>
<td>[ ] 6</td>
<td>[ ] 7</td>
</tr>
<tr>
<td>4. The internee always completes job assignments on time.</td>
<td>[ ] 1</td>
<td>[ ] 2</td>
<td>[ ] 3</td>
<td>[ ] 4</td>
<td>[ ] 5</td>
<td>[ ] 6</td>
<td>[ ] 7</td>
</tr>
<tr>
<td>5. The internee is one of the better newcomer employees I have supervised.</td>
<td>[ ] 1</td>
<td>[ ] 2</td>
<td>[ ] 3</td>
<td>[ ] 4</td>
<td>[ ] 5</td>
<td>[ ] 6</td>
<td>[ ] 7</td>
</tr>
<tr>
<td>6. The intern’s performance always meets my expectations.</td>
<td>[ ] 1</td>
<td>[ ] 2</td>
<td>[ ] 3</td>
<td>[ ] 4</td>
<td>[ ] 5</td>
<td>[ ] 6</td>
<td>[ ] 7</td>
</tr>
</tbody>
</table>

7. If a position was available, would you offer this intern a full-time employment with your organization?

[ ] Yes  [ ] No
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