

BUSINESS INSIDER

How to land an entry-level role at a major investment bank, according to industry veterans and recruiters

October 7, 2020

By Francesca Di Meglio

Matthew Ting followed the traditional path into investment banking.

He attended a finance-focused school, [Western University](#) in Canada, which places 20 to 30 graduates into US investment banking jobs annually (out of 600 or so students), and excelled academically, earning his BA in business administration in 2015. He was the president of the largest student-run investment club in Canada and held multiple finance internships before undergoing full-time recruiting during his senior year — as a summer analyst at [Auxo Management](#) in Toronto and at [SilverLake](#) in Menlo Park, California, and as an analyst at [Evercore](#) in New York and associate at [Providence Equity Partners](#).

Today, Ting is the owner of [Peak Frameworks](#), a firm dedicated to helping people get careers in investment banking with locations in New York and Toronto.

While Ting's career journey is one good way to land yourself a role at a top-notch investment bank, there are alternative routes for those who don't want to or can't follow the same route.

An MBA is often the best way to help bridge the gap between past experience and a job in investment banking. But sometimes you can forgo the additional degree if your previous jobs have provided you with a unique skill set.

For example, James Cassel, now the chairman and cofounder of Miami-based Cassel Salpeter & Co., an independent investment banking firm that provides advice to middle-market and emerging growth companies, practiced law and specialized in corporate securities for 17 years before breaking into investment banking.

As a securities lawyer, Cassel always conducted deals, but he noticed his investment banking counterparts were making more money and hoped a switch in careers would mean fewer hours. (He soon realized, he said, that both securities lawyers and investment bankers work many long hours.) But this is what drove him to seize the opportunity presented to him by one of his investment banking clients. The skills he had as a securities lawyer were transferable and made for a quick learning curve, Cassel said.

"My story is totally different than most," he said.

Here's how he and other investment bank veterans suggested landing a coveted role at a major company.

Understand what roles are out there and the process for landing them

For starters, you should understand the tradition of earning an entry-level job as an analyst or associate at a top investment bank.

The overwhelming majority of hires come from the very [best business schools](#). Alumni from those schools who now work for the firm recruit students — either undergraduates or MBAs — at their alma mater. There are phone screenings, events, and in-person interviews that allow for vetting.

In the last stage of the process, recruits go through "super day," where they head to the organization's headquarters and interview with a number of people to determine once and for all if they're a good fit.

Next, you should navigate the different roles at investment banks and determine the one you're most interested in pursuing. Entry-level jobs include associates and analysts, but the categories go even deeper.

Steven Shreve, professor in the master of science in computational finance (MSCF) program at [Carnegie Mellon University](#), said applicants should understand that investment banking is a specific division of banking related to

the creation of capital for other companies, governments, and other entities. He added that the part of investment banking that assists firms in mergers, acquisitions, bond issuance, and initial public offerings requires comprehension of different financial instruments.

"Much of that work is relationship-based, although calculation of the value of instruments does play a role," Shreve said. "However, these calculations require less mathematical knowledge than those required in sales and trading."

The sales and trading side of investment banks begins on the trading floor, where traders monitor prices and use sophisticated algorithms based on mathematical models and statistical analysis to make trading decisions, he said. Unlike assisting other firms, sales and trading is primarily a quantitative task, although there's some interaction with customers.

"A person who is interested in mathematics/statistics/computer science can come late to finance and still have a great career in sales and trading," Shreve said. "In the mergers, acquisitions, etc., the proper preparation is a degree in finance."

To get more information, Shreve suggested reading Peter Bernstein's book "[Capital Ideas: The Improbable Origins of Modern Wall Street](#)," which he said provides a good history of how the industry arrived at this "present, highly mathematical state of affairs in finance."

Another possibility is asset management, which is about managing customers' money. Traditionally, investment decisions were made based on fundamental research about individual firms, but increasingly they're made based on statistical analysis of market data, Shreve said. For asset management, the appropriate preparation has shifted in the last 20 years from finance to mathematics and statistics, he added.

Research the companies that interest you by reading up and networking

Applicants should then research each bank they plan to apply to to understand the culture and how they could fit into it. You should read about the bank in the news or on other websites, reach out and talk to alumni or current employees, and attend networking events. You can even ask for an

informational interview, which used to take place over coffee but are more likely happening over Zoom nowadays.

"Don't make the mistake of thinking that every firm is the same," said Matthew Spencer, a human resources veteran in the investment banking space who's worked at Houlihan Lokey, where he oversaw global talent management strategies including recruiting, training, professional development performance management, and people analytics.

Spencer entered Houlihan Lokey, a leading global investment bank, as an associate right after graduating from the MBA program at University of Southern California Marshall School of Business in 2007. Before becoming the chief human capital officer at the firm, he rose to senior vice president in investment banking.

His path into investment banking, however, began with on-campus recruiting. Spencer, like most MBA students, got to know the culture of firms through summer internships, which are usually a pipeline for future employment. But you should go further to understand the differences among banks.

"Take the time to prepare for each interview," Spencer said. "Understand where a firm sits in the broader industry and research each firm to understand the type of work they do. They all have varying specialities, service offerings, and cultures."

"Networking is also hugely important," Spencer, who's also the cofounder and CEO of Suited, an AI-powered recruiting network designed to help candidates from all backgrounds access highly sought-after opportunities in the financial services space, added. "Candidates interested in securing analyst roles should feel encouraged to reach out to upperclassmen who have already secured summer internships. Additionally, cold emails go a long way in this field. Research school alumni who work at investment banks and don't be afraid to ask them for some of their time. However, don't use these calls to ask about specific job opportunities, but instead learn from their experiences and ask questions about their job journey."

Build strong relationships in internships by showing face

The coronavirus crisis has changed recruiting and training. Many in-person activities have gone online. Often, full-time job offers are a result of successful

summer internships, Cassel said. Online internships require additional effort on the part of both interns and their supervisors, he added.

"It's a real challenge to vet someone and develop a relationship online," Cassel said. "It's hard to do. We're learning to adjust because we have no choice."

He suggested interns request Zoom calls to help develop a rapport with employees and show their interest and determination. You need to stand out to those hiring, Cassel said.

"It's not enough to put out quality work because that's expected," he said.

If you snag an online appointment, be on time, dress appropriately, consider what's in the background, and ask for help and feedback, Cassel added.

Amid the pandemic, most banks are now conducting all their internships and networking online, and this could change the recruiting process.

"Even if you don't think you have the right 'background' for a role, you should indeed apply anyway," said Christopher Temme, CFO of crypto exchange bitFlyer USA, who previously worked as an analyst at Goldman Sachs in Tokyo and an associate at Citi NY. "Since banks are now competing against all industries to attract top talent, they've cast a wider net to find these candidates."