

# What finance role is right for you? – Surprise Quiz!



## Instructions:

- Choose exactly 2 answers per question
- Write down your answers

## Example:

- 1) AF
- 2) CE
- 3) AB....

## Q1: Which of these statements applies to me? Choose top 2

A) I can handle and sometimes even enjoy a lot **of stress**.

B) I am a big fan of **Warren Buffett**.

C) I can build a **model** in my sleep and I love PPT.

D) I really enjoy **selling/business development**.

E) I love Venture Day at IE & talking to **startups**.

F) I enjoy accounting.

## Q2: Which of these statements applies to me? Choose top 2

A) **Coding** on the weekend is my idea of fun.

B) I would enjoy thinking about how **Apple** can make more money in China.

C) I would like to advise **big company CEOs** on their international expansion.

D) I enjoy **writing reports** and discussing them with many people.

E) I enjoy **networking events** and **partnering** with people from other firms.

F) I would prefer to work **from home and travel as little as possible for work.**

## Q3: Which of these statements applies to me? Choose top 2

A) **Math** is my superpower.

B) I love investing in **huge companies** and keeping that investment for several years.

C) I would enjoy figuring out if it makes sense for Uber to **acquire** Cabify.

D) I would love to be interviewed on TV a lot about my **finance opinions**.

E) I prefer to focus on **growth** vs. profitability when analyzing companies.

F) I don't mind a repetitive job if it has very **high job security**.

## Q4: Which of these statements applies to me? Choose top 2

A) I love **following markets**, even if that means **very early** working day start.

B) I want to **invest**, but I don't need to make millions to be happy.

C) I don't mind working **100-hour weeks** if it means reading about my **deals in the newspaper**.

D) I would love to go on **many business trips** and **wine and dine** my clients.

E) I want to be considered as a **thought leader in emerging technology**.

F) I want to work in a finance role & then 1 day work in another department at the **same company**.

## Q5: Which of these statements applies to me? Choose top 2

A) I want to make my **fortune fast** and don't mind risking getting fired for one bad stock call.

B) I don't feel comfortable making money on a **stock that goes down**.

C) I know the difference between **Blackrock** and **Blackstone**, and of course I prefer the latter.

D) I love **presenting** in front of big crowds.

E) I prefer to invest in **new tech businesses** vs. companies that have been around forever.

F) I like investing in companies that are in the same industry **to the company** I work for.

## Q6: Which of these statements applies to me? Choose top 2

A) I get energized in a **dynamic open floor office** space.

B) I manage **my own investment portfolio** and I hold my positions for a few years.

C) I can function well without sleep but like to be in a **quiet office** space so I can concentrate.

D) I like dealing with **people** more than making spreadsheets.

E) I believe that **1-2 people** can change the world.

F) I fell most comfortable working for a **huge company**.

## Q7: Which of these statements applies to me? Choose top 2

A) I would love to be able to close **several transactions per day**.

B) I don't like to check stock quotes **more than 1x** per day.

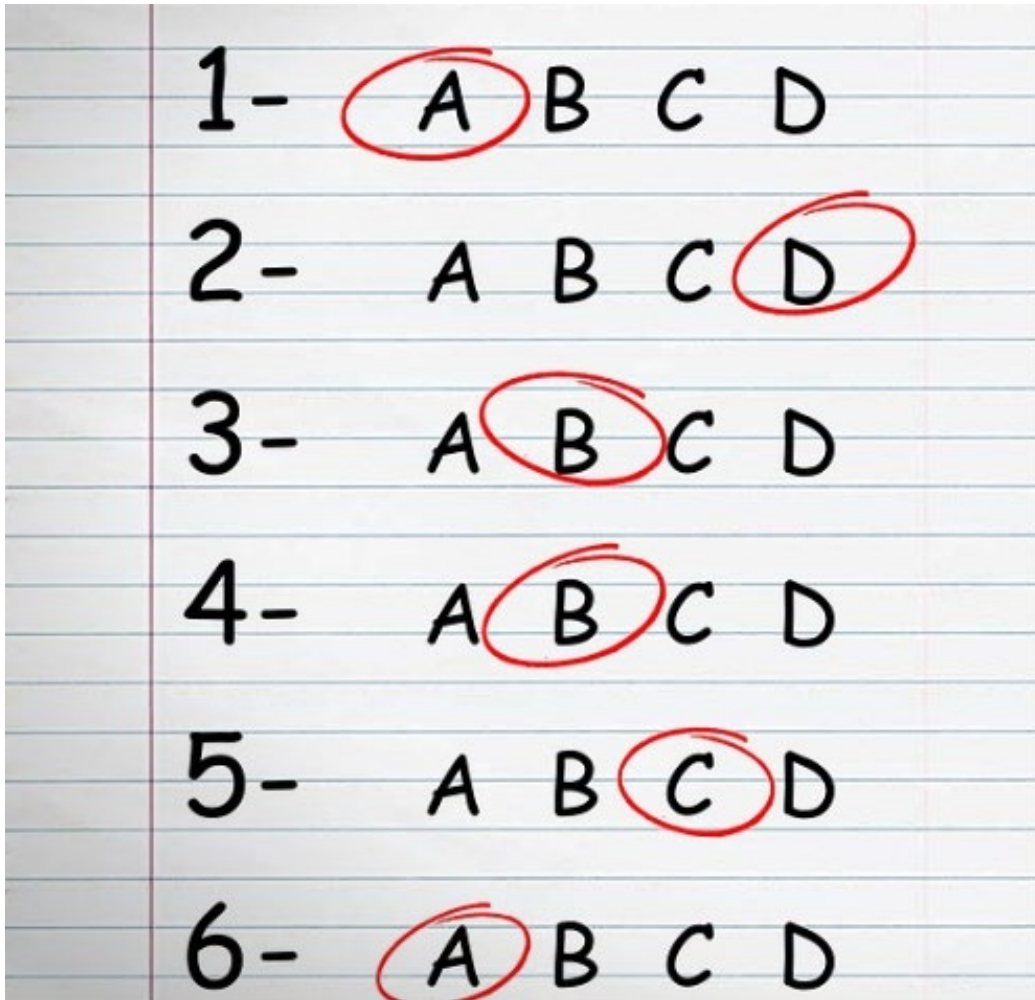
C) I prefer **long term projects**.

D) I love **presenting to classmates** great investment opportunities.

E) Public markets are way to volatile, I'm more comfortable with **private investing**.

F) Being there every day for my **family and friends** matters most to me.

## Let's count the As....



### Instructions:

- Now add up all of your answers and sort them in a way that is similar to this example:

### Example:

B's = 7

A's = 4

D's = 3

C's = 2

E's = 2

F's = 1

# Finance Subsectors

## A) Hedge funds / trading roles

Buy and sell primarily tradable equity and debt



## B) Large asset managers

Invest in large public companies



## C) Private equity / Investment Banking

Buy and sell private companies



## D) Research /Sales / Wealth Management

Advise others where to invest



## E) Venture Capital

Invest in early stage/ growing companies

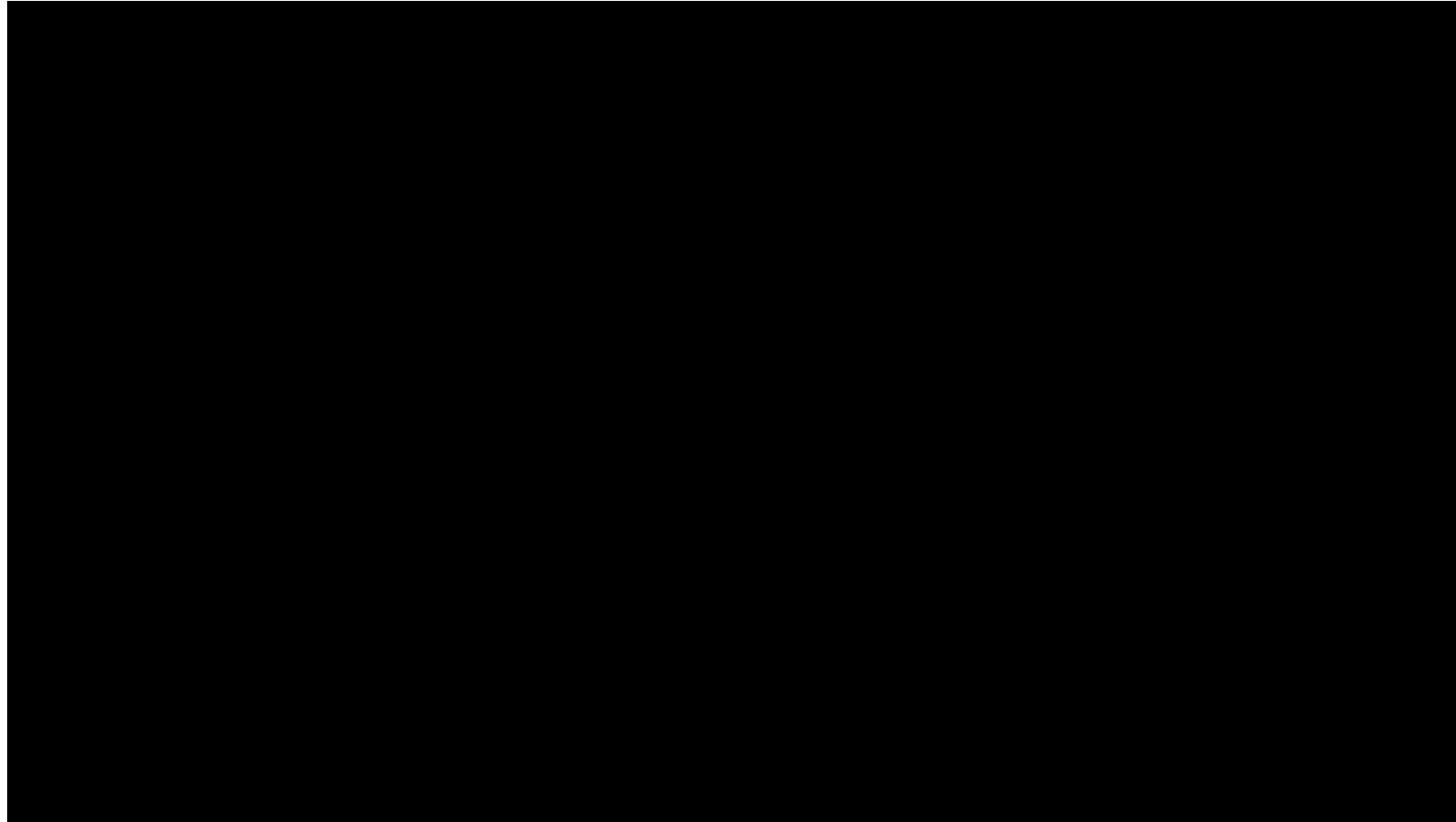


## F) Other Financial Roles

Commercial Banks, Credit Agencies, Fortune 500s companies

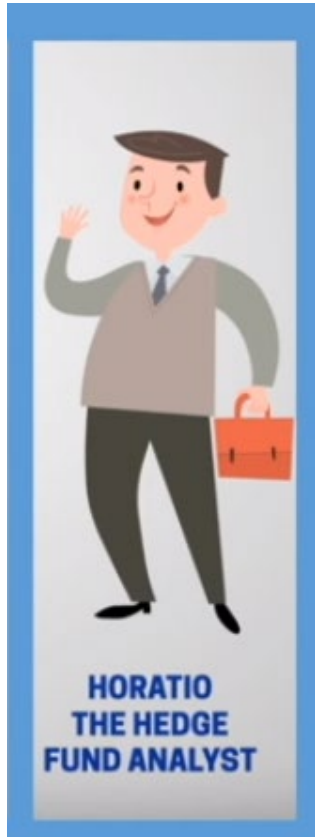


# Top Finance Roles - Video

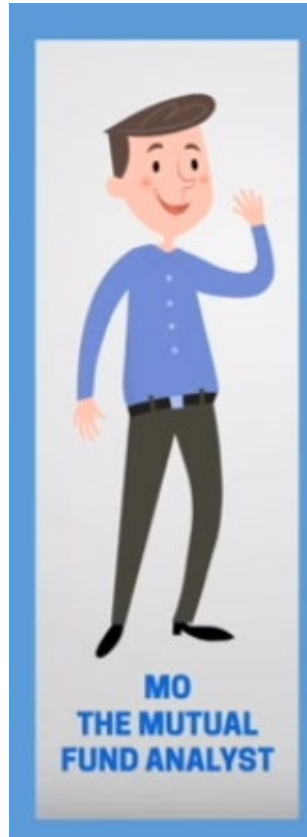


<https://www.youtube.com/watch?v=n-Vk6izJ3OM>

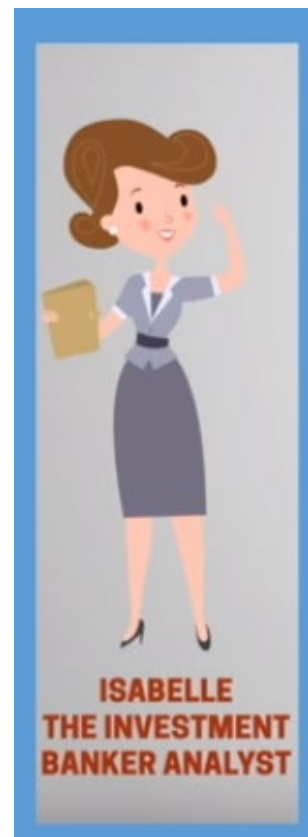
# Top Finance Roles – Comparison (Comp, Stress, Hours, Travel)



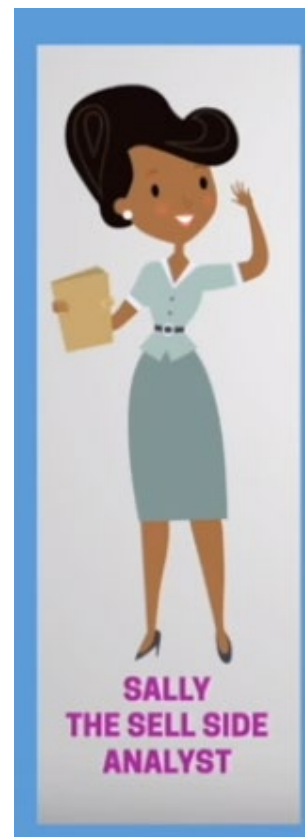
**A**



**B**



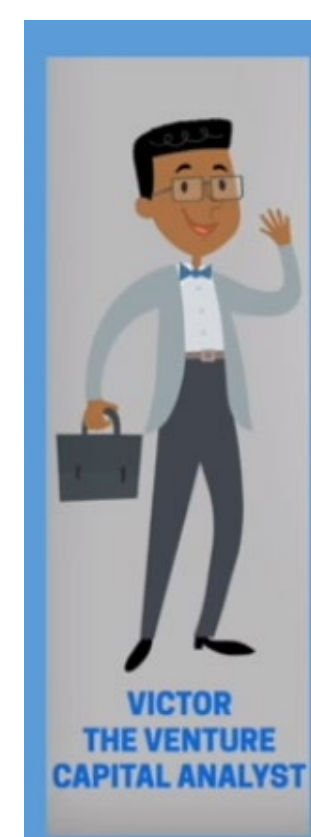
**C**



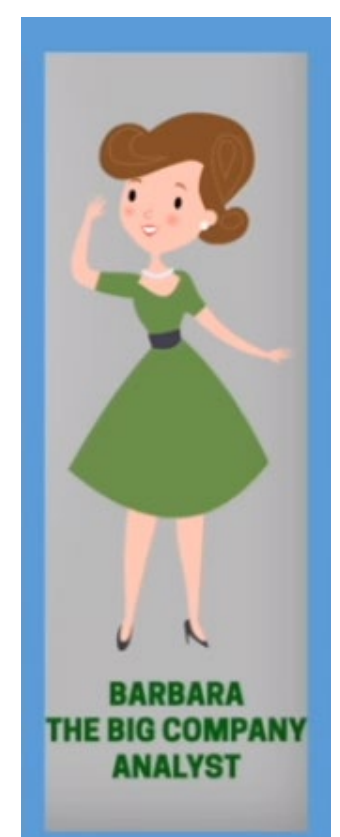
**D**



**D**



**E**



**F**

# Sell Side vs. Buy Side

**Lifestyle**

**Sell Side**  
More Working hours  
Sell-side firms, particularly investment banks, have to always answer to clients and thus work longer hours.

**Buy Side**  
Bit Easier Lifestyle  
Comparatively easier lifestyle because they're on the side of the table with the money.

**Compensation**

**Sell Side**

**Buy Side**

Requirement of higher skillsets and knowledge for the buy side analysts for the investment decisions make them fetch higher pay than the sell side analysts.

## Private Equity vs. Investment Banking

# Buy-side firms who recruit graduates without the usual prerequisite 1 to 3 years of work experience

## Private equity

**Blackstone**

terra firma

 Partners Group  
REALIZING POTENTIAL IN PRIVATE MARKETS

 Goldman Sachs

Private equity group

 ARES

 3i

**SILVERLAKE**

**Cinven**

## Hedge Funds

 Point72  
Asset Management

ALANTRA

Man B.A.M.

 CITADEL

 MARSHALL WACE

 BRIDGEWATER

 TUDOR

**DE Shaw & Co**

## Asset managers, etc

**BLACKROCK**

 M&G  
INVESTMENTS

 Fidelity  
WORLDWIDE INVESTMENT

P I M C O

 **Schroders**

 CPP  
INVESTMENT  
BOARD

# Private Equity vs. Venture Capital

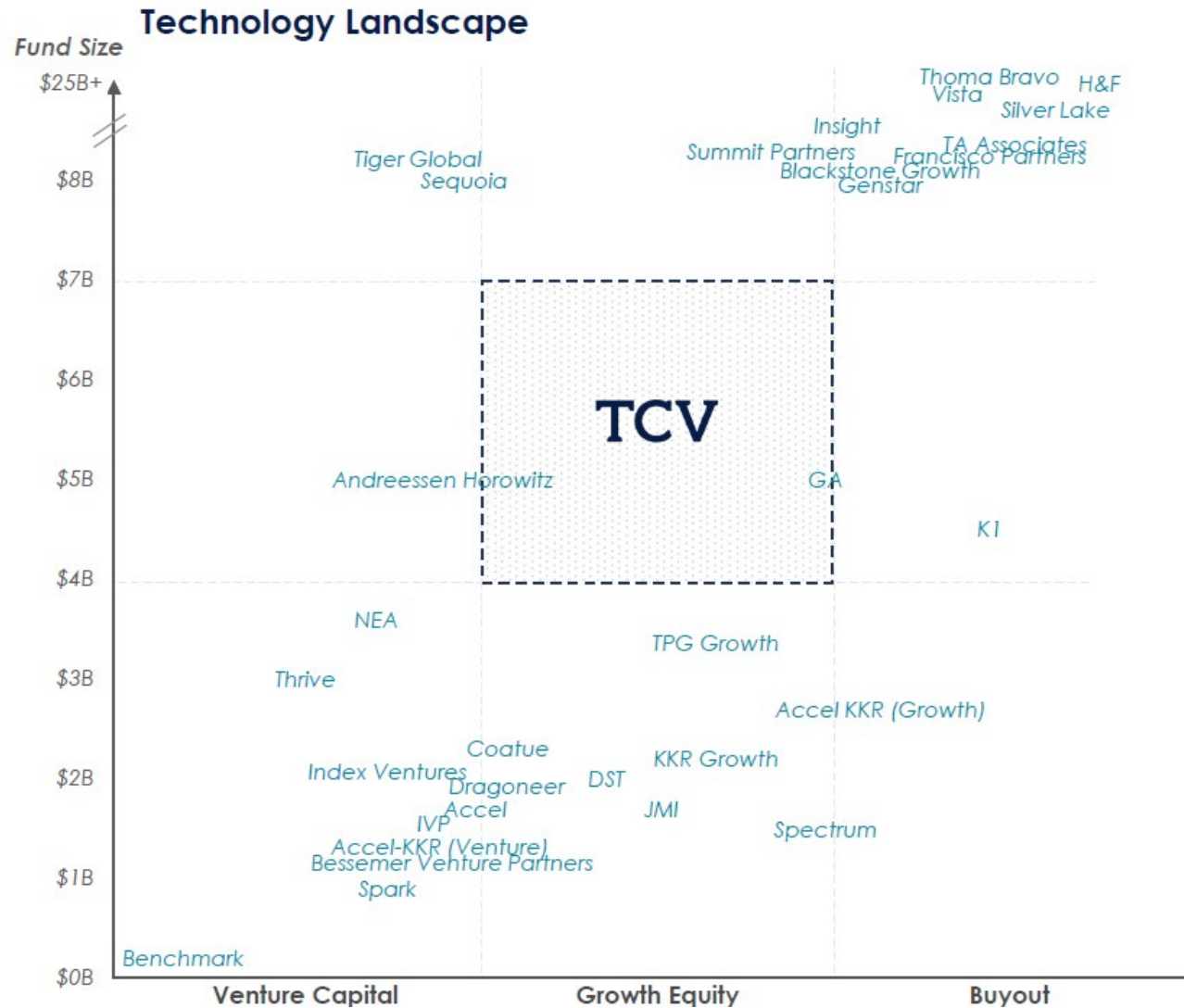
## Private Equity

- PE Firms invest across most industries
- PE firms buy mature companies
- In PE the number of investments is smaller, and the investment size is much larger. So even if a single company fails the entire fund could be doomed.
- Longer investment process with focus on historical financials and modelling.
- You will almost always make more money in PE than in VC. As in PE there is more money involved and fund sizes are much larger.

## Venture Capital

- Focus on high growth industries
- Higher risk investments
- Less finance knowledge is required
- If you want to make big money in Venture capital, all you have to do is to find a company to invest which can turn out to be the next Google.
- The culture in venture capital tends to be more relaxed because people come from more varied backgrounds.
- Overall the work hours in higher PE firms tends to be longer as compared to the VC where the approach is a “normal” work week.

# VC & PE Intersection



# Key skills for investment focused buy-side jobs

	Technical skills	Soft skills	Comments
Private Equity	++++	+++	<ul style="list-style-type: none"> <li>Requires investor mindset and transactional/project management skills. Strong financial analysis, modelling and valuation skills are essential</li> <li>Ideal 2-3 years experience in <b>investment banking</b> (corporate finance and M&amp;A) or <b>management consulting</b> (Bain, McKinsey and BCG) or entry level positions</li> </ul>
Venture Capital	+++	++++	<ul style="list-style-type: none"> <li>Entrepreneurial and investor mindset, interest/experience in technology, biotech, telecom, start-ups. Engineering Degree a plus</li> <li>Ideal 2-3 years of investment banking experience (Tech, Healthcare, TMT groups) or management consulting and <b>start-up track-record</b>. Big Tech experience also helps</li> </ul>
Hedge Funds	++++	++	<ul style="list-style-type: none"> <li>Strong understanding of capital markets, exceptional analytical skills (math, physics degrees), ability to handle stress and early mornings</li> <li>Ideal 2-3 years of investment banking experience (<b>trading, capital markets</b>) or entry level positions</li> </ul>
Asset Management	++++	++	<ul style="list-style-type: none"> <li>Strong understanding of capital markets and asset correlations, portfolio theory, CFA, trading portfolio</li> <li>Ideal 2-3 years of investment banking experience (<b>asset management groups</b>) or <b>entry level</b> positions</li> </ul>