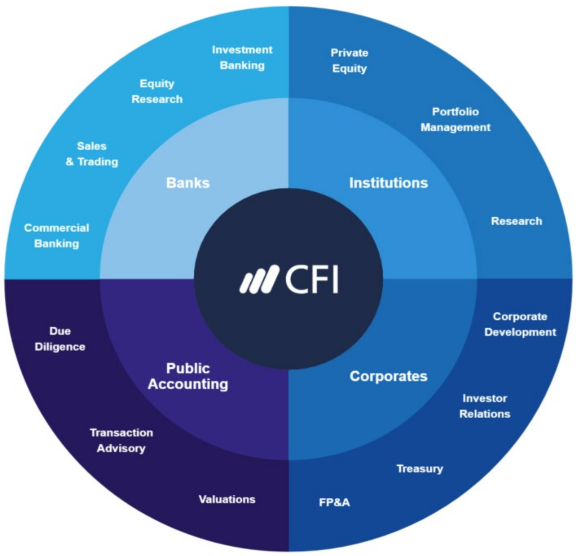
Chase Career Center

FINANCE CAREERS 101

Introduction

This guide was compiled by the Chase Career Center through the utilization of numerous finance industry and career related online resources. These resources are listed in the Resources section at the end of the guide.

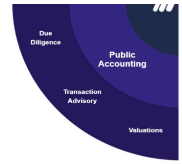
A primary resource for this guide comes from the online site, CorporateFinanceInstitute.com's free career resources.



In addition to sections for the careers found in the above graphic from CFI, this guide also includes sections for careers in:

- Financial Regulation
- Merchant, Custodial and Commercial Banks
- Wealth Management
- Insurance
- Real Estate
- Impact Investing

Table of Contents



Public Accounting Careers Aligned with Banking or Corporate Finance

Public Accounting Firms consist of accountants that serve business, individuals, governments and non-profits by preparing their financial statements (auditors), tax returns (tax accountants) and advising them on transactions, risk and fraud. (advisory).

As an Isenberg student, you will become familiar with many of the firms in the accounting industry including the BIG 4 firms EY, KPMG, Deloitte and PWC as well as a number of national and regional firms. Isenberg is a “target school” for these firms and the majority of accounting majors pursue careers in these firms as auditors and tax professionals. These firms recruit non accounting majors (finance/OIM) for careers in various advisory areas. These non-CPA routes can offer exit opportunities into advanced corporate finance, valuation or even regulatory roles.

In general, compensation across these areas is similar and falls into the following ranges:

Associate: $60,000 to $90,000 (base salary plus bonus)
Manager: $90,000 – $150,000 (base salary plus bonus)
Director/VP: $150 – $300,000 (base salary plus bonus)
Partner: $300,000 – $1 million+ (including equity)

Transaction Advisory Services (TAS) Career Overview

Professionals who work in the TAS practice are of public accounting firms help client organizations evaluate and navigate corporate transactions with services that include:

- Business Modeling
- Mergers & Acquisitions
- Valuations

For those students who are interested in pursuing a CPA, opportunities exist in the Transactional Advisory Services area or TAS. EY is one of the Big 4 firms who seek entry level candidates for the TAS practice area. TAS professionals work in roles more similar to those in corporate finance or investment banking due to the type of clients typically served.

This career path is very similar to Investment Banking with long hours, lots of stress and extreme attention to detail. Applicants from Isenberg are accounting majors who plan to complete the CPA and initially pursue the auditing practice area. These individuals are then selected by the firms for opportunities in TAS.

Key Personality Traits of TAS Professionals

- Highly ambitious/driven to succeed

- Competitive
- Communicates effectively
- Attention to detail
- Polished and presentable
- Team player
- Able to work long hours

Most Common Entry Points

- Directly from undergraduate career
- From another division in firm
- Recruited from Investment Banking or Corporate Development

Due Diligence Group Career Overview

Due diligence professionals perform "financial due diligence" on behalf of acquirers of companies to analyze the target companies' financial statements and overall health. Due Diligence individuals meet with a target company's financial and non-financial management to understand the larger context of the business, identifying potential problem areas that may impact the investment. They look at the financial implications of findings, analyze projections, and help structure a deal that optimizes both risk and tax implications.

This career path can require long hours when on a transaction and requires forensic level accounting and analysis. A typical route to this group is to start a career in the forensics accounting practice area (generally a function in the broader "Advisory" practice group). Obtaining a CPA is required and firms may encourage professionals to also obtain a CFE (Certified Fraud Examiner) or CA (Chartered Accountant) designation.

Key Personality Traits of Due Diligence Professionals

- Highly ambitious/driven to succeed
- Excellent accounting skills
- Communicates effectively
- Attention to detail
- Organized, structured detailed
- Ability to work long hours

Most Common Entry Points

- Directly from undergraduate career
- From another division in firm

Valuation Group Career Overview

If you're an analyst in the valuations group, you provide services for both public and private companies. Your work is generally focused on the identification and valuation of intangible asset (patents, copyrights, franchises, goodwill, trademarks, trade names and software/other computer based assets) and more specifically, the goodwill impairment and purchase price allocation (PPA). This career requires significant financial modeling and analysis.

Key Personality Traits of Due Diligence Professionals

- Highly ambitious/driven to succeed
- Excellent accounting skills
- Communicates effectively
- Attention to detail
- Organized, structured, detailed
- Ability to work long hours

Most Common Entry Points

- From undergraduate career into audit practice
- From audit practice as Senior Manager to Valuations Manager
- From another division in firm

Examples of Isenberg Alum in Related Positions:

Jared Goldfarb, CPA (TAS @ EY, now FP&A at National Grid)

Kyle Lawless, CPA (TAS @ EY)

Patrick Ahearn (TAS @EY)

Benjamin Blieden, CFA (Transaction Services/Valuation @ Grant Thornton)

Jake Kovalchuk (Mutual Fund Valuation Specialist @ MassMutual)

Matt Grumoli (Associate @ Berkeley Research Group, LLC)

Kyle Morin (Due Diligence Consultant @ MassMutual)

Andrew Kalinowski (Deals Manager at PWC Specializing in M&A Due Diligence)

Careers in Financial Regulation

Financial compliance professionals ensure a firm's compliance with laws and regulations governing financial and securities institutions and financial and real estate transactions. The work involves drafting policies, consulting, training and investigating. You may work in a government agency or in a financial institution. Examples of job titles include:

- Bank Secrecy Act Anti-Money Laundering Officer (BSA/AML Officer)
- Senior Capital Markets Specialist
- Credit Union Examiner
- Home Mortgage Disclosure Act Specialist (HMDA Specialist)

The aim of regulation is to instill confidence in the market while contributing to the protection and stability of the financial system. This oversite serves to provide critical consumer protection as well.

Regulators ensure listed companies and market participants comply with various regulations under the trading acts. Compliance requires the publication of regular financial reports, ad-hoc notifications or director's dealings. Ultimately this activity ensure that investors have access to essential and adequate information for making and informed assessment of listed companies and their securities.

The following is a short list of US regulatory authorities:

- U.S. Securities and Exchange Commission (SEC)
- Financial Industry Regulatory Authority (FINRA)
- Commodity Futures Trading Commission (CFTC)
- Federal Reserve System ("Fed")
- Federal Deposit Insurance Corporation (FDIC)
- Office of the Comptroller of the Currency (OCC)
- National Credit Union Administration (NCUA)
- Office of Thrift Supervision (OTS) *(dissolved in 2011)*
- Consumer Financial Protection Bureau (CFPB)

Compliance is not a straightforward career path like other careers in finance or accounting. The recruiting process is very unlike that of someone interested in auditing or corporate finance. In fact, it's often a haphazard career path coming from fields as disparate as stock brokering to operations.

Key Personality Traits of Due Diligence Professionals

- Ability to perform well under pressure
- Strong critical thinking skills, able to interpret and synthesize disparate data
- Integrity

- Ability to communicate complex and challenging information
- A global perspective to see all sides of a situation and set of evidence

Compensation

- Regulatory Analyst: $44,760 - $83, 608
- Office of Comptroller of the Currency, FDIC, and Consumer Financial Protection Bureau: Average salary : $190,000
- SEC Securities Compliance Examiner Salary: $90,000 - $175, 000
- FDIC Financial Institution Examiner: $69,000 - $98,000

Examples of Isenberg Alum in Related Positions:

Patrick Miceli (Associate Examiner @ Federal Reserve Bank of San Francisco)

Jonathan Healy (First Line Risk Specialist @ State Street)

Ryan Reddy (Financial Institutions Specialist @ Federal Deposit Insurance Corporation)

Lily Chan-Sann (Exam Manager @US Securities & Exchange Commission)

Jeremy Jemas (Financial Examiner @ NJ Department of Banking and Insurance)

Corporate Finance Career Overview

“Corporates” or “Issuers refer to private and public operating companies that are typically clients of investment banks. These entities are also referred to as working “in industry”. The scope of “issuers” ranges across all industries and sectors of the economy.

The term “Corporates” is used to differentiate these from financial institutions. “Issuers” is used because these entities are the companies who issue public securities (stocks, bonds, etc).

Due to the wide variety of “corporates”, the roles and backgrounds of professionals in these entities can vary widely. Even within the same department, professionals can have widely different roles to support the operations specific to the business. Due to this variety, there is a lack of homogeneity that can be found in other financial organizations such as investment banking.

The most common corporate finance positions include:

- Corporate Development (Merges & Acquisitions)
- Financial Planning and Analysis (FP&A)
- Treasury

Isenberg students benefit from a wide range of corporate finance internship and full time opportunities. Some firms recruit students into “leadership development” programs with the intention of developing company executives. These programs provide robust professional development activities, rotations into different business areas and opportunities to decide on a business area following successful completion of the development program. The duration of these development programs can range from a few (3) months to a full two years (24 months).

Many leading firms recruit at Isenberg, especially those with corporate headquarters in the North East.

In addition to corporate development programs, many firms hire directly into specific business units within their organization. Students may see internship and full time postings with the title “financial analyst”, a role found in many corporate finance functions.

Corporate Development Careers

Corporate Development professionals are involved in executing mergers, acquisitions, divestitures and capital raising in-house for a corporation. They work alongside Investment Bankers to identify acquisition targets and negotiate their purchase as well prepare to raise equity or debt as required.

In larger companies, you will typically find a component of Financial Planning and Analysis, Investor Relations and even Treasury involved with Corporate Development.

Key Personality Traits of Corporate Development Professionals

- Highly ambitious
- Modeling
- Outgoing
- Persuasive
- Confidence inspiring
- Attention to detail
- Good communicator

Most Common Entry Points

- From college recruiting into analyst role or leadership/rotational development program
- From Investment Banking

Compensation

- Analyst: $60,000 (Entry level) – 100,000 (Base plus bonus)
- Manager: $100,00 - $200,000 (base plus bonus)
- Director/VP: $200,00 – 1000,000+

Investor Relations

Investor Relations professionals manage the communication between a company's corporate management and its investors. Investor Relations Managers help support: releasing information, handling inquiries and meetings, providing feedback to management and crisis management. Their focus is the company's financial community rather than its business customers or the general public.

Due to Sarbanes-Oxley Act of 2002, most publically traded companies have dedicated departments responsible for handling investor relations to ensure compliance with reporting laws.

Investor Relations is not an entry level job and typically requires 2 to 7 year in investor relations, public relations, financial investment, accounting, legal and other related areas. Experience in publically traded companies is preferred due to experience with the regulatory framework regarding investor information disclosure laws.

Primary responsibilities for Investor Relations Managers include a wide range of tasks including:

- Data analysis
- Presentations and data visualization
- Financial modeling and research model creation
- Information collection/preparation
- Investor event preparation

Investor Relations Managers interface with investment analysts. They may also be responsible for carrying out financial valuation and creating financial models to form a view of the company's performance. Creating a story out of the data is the goal which can form the content for communication with the company's investment community.

Key Personality Traits of Investor Relations Professionals

- Confidence inspiring
- Communication/presentation skills
- Outgoing
- Able to interpret financial information
- Team player

Compensation

- Manager: $89,000 – $142, 890
- Head of IR: $150,000 – $199,999 (+ bonus/35% of salary)

Treasury

Finance professionals who work in Treasury are involved in ensuring that cash and financial risk in a business are properly managed and optimized. A primary focus in treasury is to make sure cash is managed for day-to-day business operations while having an outlook for long term strategy.

Key Personality Traits of Corporate Development Professionals

- Attention to detail
- Quantitative
- Persuasive when dealing with others
- Confidence inspiring
- Good at managing risk
- Good communicator

Most Common Entry Points

A move from corporate accounting, public accounting or banking are common ways professionals enter into a Treasury role.

Compensation

Analyst: $50,000 to $80,000 (base salary plus bonus)
Manager: $80,000 to $120,000 (base salary plus bonus)
Director/VP: $120,000 to $300,000+

https://www.treasurers.org/careers/whatistreasury

Examples of Isenberg Alum in Related Positions:

Andrew Heath (FP&A @ Data Intensity, LLC)

Keith Daly (FP&A Analyst @ Oliver Wyman)

Richard Lepke (Manager of International FP&A @ Hologics, Inc)

Donna Cote (FP&A Senior Financial Analyst @ Bose Corporation)

Nicolette Robert (Treasury Analyst @ Staples)

Edward Carr (Treasury @ Brown Brothers Harriman)

Frankie Lopez (Treasury Analyst @ JP Morgan Chase)

Leor Radbil (Investor Relations @ Bain Capital Credit)

Pavel Espinal (Investor Relations Sale Specialist at Nasdaq)

Danillo Silva (Lead Investor Relations Analyst @ The Hanover Insurance Group)

Jason Girouard (Corporate Development Analyst @ C&S Wholesale)

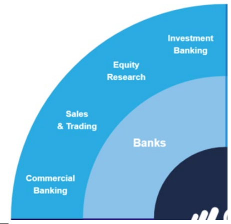
Michael Davidow (Corporate Development Manager @ The Connecticut Food Bank)

David Blatt (Director of Corporate Development and Strategic Finance @ The Summit Series)

Joshua Stein, CPA (Advisory Senior Manager – M&A Transaction Services @ Deloitte)

David Li (Senior Treasury Analyst @ MFS Investment Management)

Banks/"Sell Side"



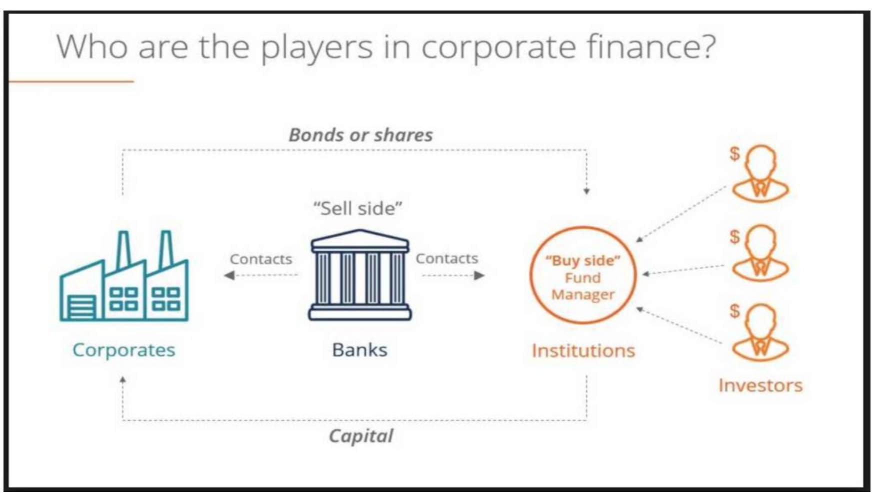
Banks, which are often referred to as "dealers" or, collectively as the "sell side", offer a wide range of opportunities. Four main categories – Investment Banking, Equity research, Sales & Trading and Commercial Banking, can be broken into their own subsets.

"Sell side" refers to firms who are involved in the origination and sale of stocks, bonds, derivatives and other securities. As the position implies, there is a large degree of sales involved with most sell-side careers, particularly in top positions. These organizations offer services to clients and income is generated from increasing clients. Professionals are typically in client facing roles where compensation is closely tied to fees generated. Junior roles and compensation will be more aligned with analytical performance that supports senior executives in the sale of services.

Sell side professionals may also design different investment products.

The general characterization of professionals who work in the sell side is highly competitive, ambitious, smart and motivated. Hours are long and the work is very demanding but a lot of money can be made in sell side professions. It is a challenging environment where skills need to be developed rapidly.

The following graphic helps to illustrate how the players in corporate finance interact with each other.

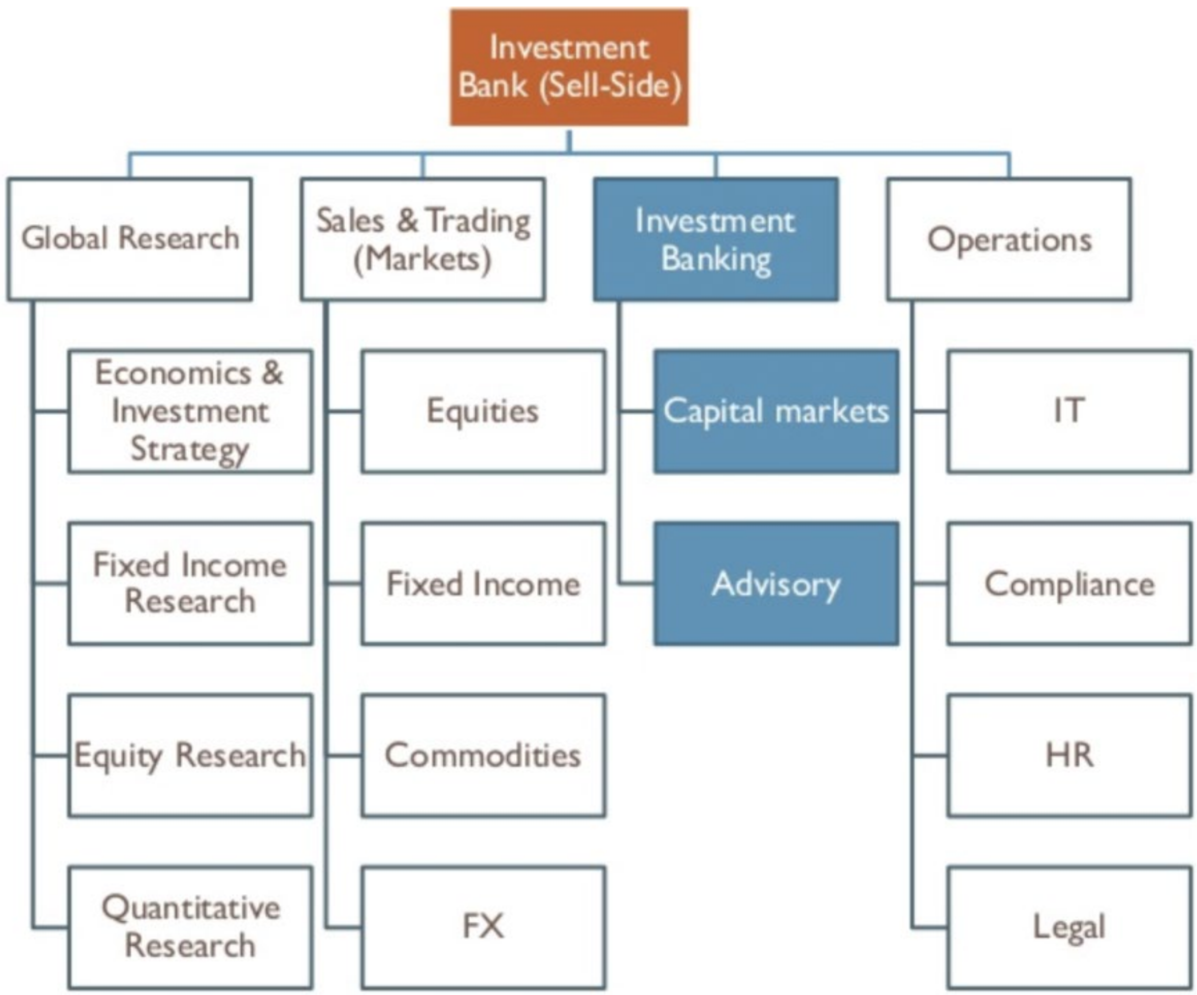


Investment Banking "Sell Side"

The Investment Banking Division (IBD) of an investment bank helps governments, corporations and institutions raise capital and complete mergers and acquisitions (M&A).

A career in investment banking is extremely demanding with analysts frequently working 100 hours a week. The competition for positions is intense, compensation is very high and the work is very high profile. The tradeoff, however, is long hours, a military-like work culture and a lot of grunt work.

Understanding the structure of an investment bank is important as you begin to identify what area of an investment bank you may be interested in. An investment bank is like any other company, comprised of functions that bring in revenue and others that support the operations of the company. Knowing the difference between "Front Office" and "Middle" or "Back" Office operations is critical.



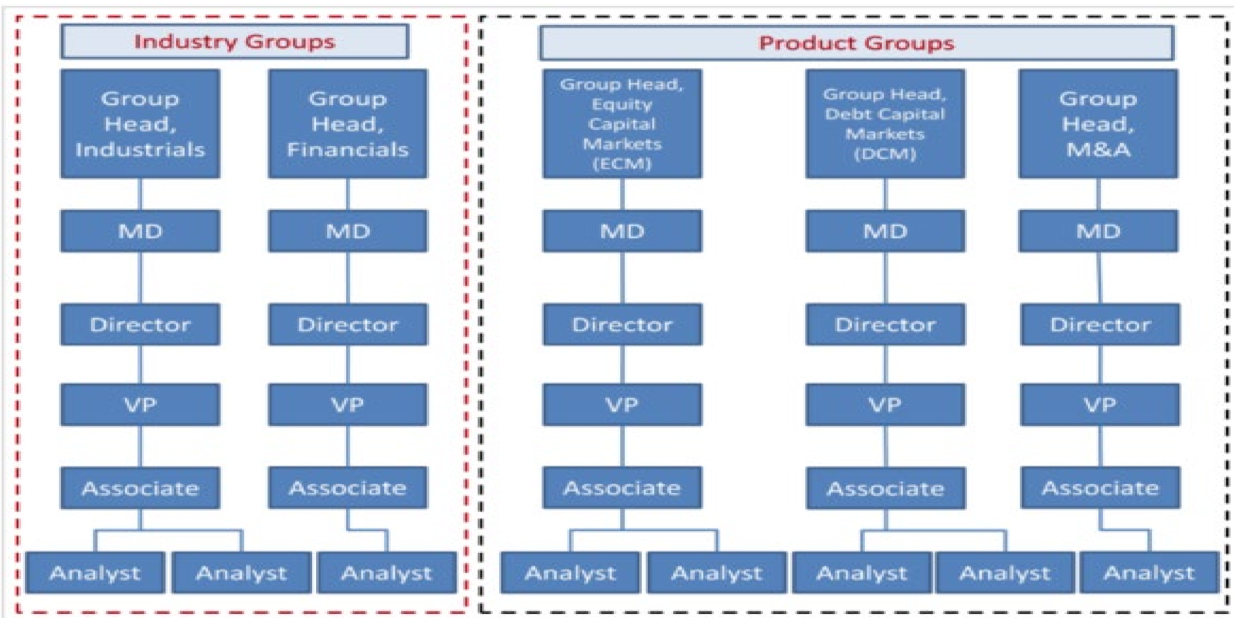
Key Personality Traits of Corporate Development Professionals

- Highly ambitious
- Competitive
- Detail oriented
- Quantitative
- Polished and presentable

Most Common Entry Points

Most analysts are recruited from top undergraduate programs at "target schools" or other highly regarded universities. Analysts typically stay for 2 – 3 years at which point they are promoted to associate, move on to graduate school or to something else. Private Equity, Start Up environments and Corporate Finance are common exit opportunities for investment banking associates.

Different Groups within Investment Banking: Industry and Product



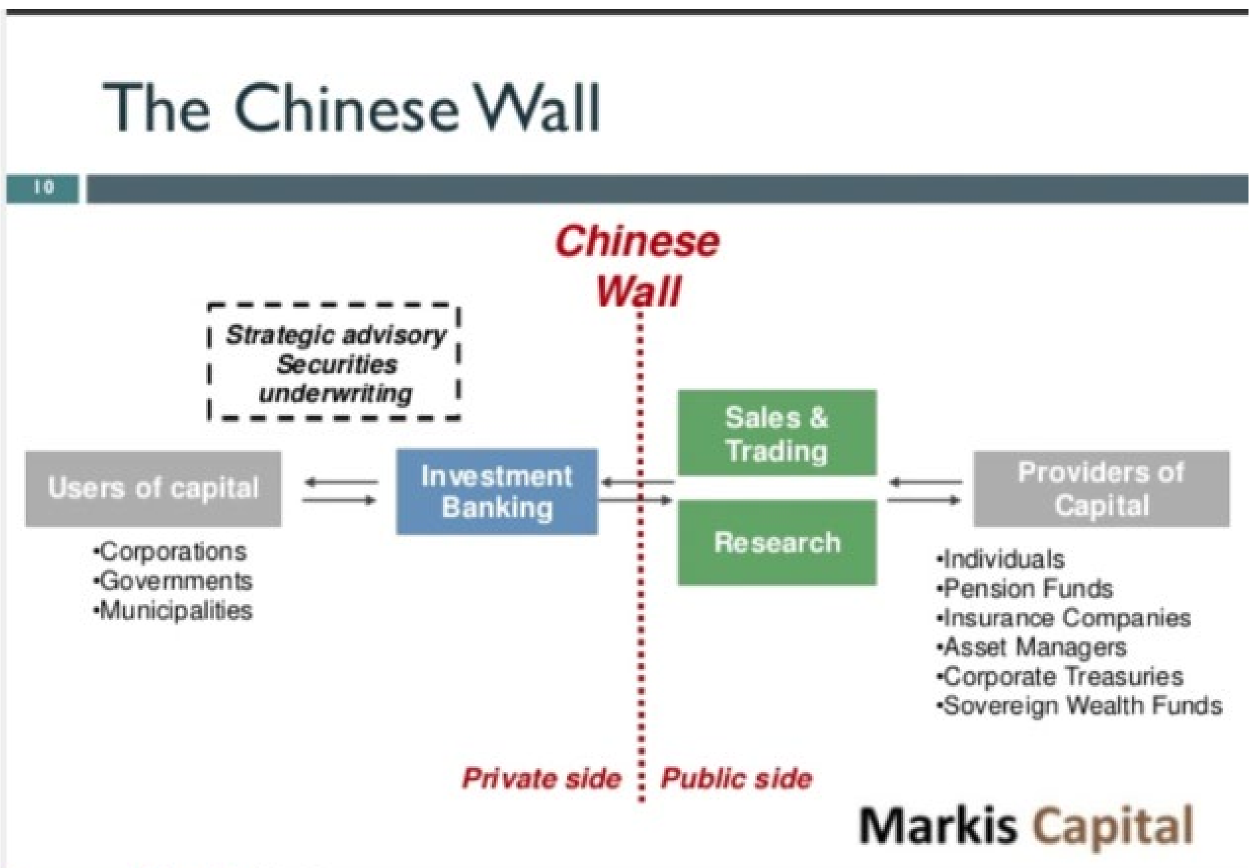
- **Product:** Mergers & Acquisitions (M&A), Restructuring, Leveraged Finance, Equity Capital Markets, Debt Capital Markets
  - Focus on knowing specific transactional models *really well.* Merger models or Leveraged BuyOut (LBO) models. Not as much focus on learning an industry in depth.
- **Industry:** Technology, Media and Telecommunications (TMT), Healthcare, Natural resources (Oil, Gas, Mining, and Power & Utilities), Financial Institutions Group (FIG), Industrials, Real Estate Investment Banking.
  - Focus is more on knowledge of the industry, what different companies are doing and building operational models for companies
  - TMT is a highly sought group due to exit opportunities in tech companies

Sub-divisions within groups include:

- **Origination** – these groups market and pitch for new clients, mostly for financings
- **Advisory** – these groups advise companies on buying other companies – M&A
- **Coverage** – these groups do both origination and advisory work but are focused on specific sectors such as industrials. Coverage groups are those most people refer to when they talk about "industry groups".

What is the "Chinese Wall"?

The Chinese Wall is the ethical barrier between different divisions of a financial or other institution to avoid conflicts of interest. In the investment banking arena, this wall exists to between the advisory (IB) side and S&T and Research. The wall is there to prevent leaks of corporate inside information which could potentially influence decisions on either side.



Compensation

Investment banking compensation is paid on two components: salary and bonus. The bonus is a large part of the total income across all positions but especially at the more senior levels where it can be several times the base.

- Analyst: $100,000 to $150,000 (base salary plus bonus)
- Associate: $150,000 to $300,000 (base salary plus bonus)
- VP/Director/MD: $300,000 to $1,000,000+

Equity Research

Equity Research professional in an investment bank provide research coverage of public companies and distributes that research to the bank's clients. This is a demanding career with analysts and associates working 70+ hours weekly. This is a career for those who enjoy cerebral (brainy) work – research and analysis.

The organizational chart in Equity Research is much flatter than that of Investment Banking making for less upward movement.

Key Personality Traits of Equity Research Professionals

- Works independently
- Cerebral
- Detail oriented
- Quantitative
- Introverted

Most Common Entry/Exits Points

The main entry point for equity research positions is Associate. Associates are typically recruited from top Undergrad and MBAs programs. Associates typically spend 3 – 4 years in the position until becoming an analyst-associate, and finally an analyst.

Equity Research professionals tend to stay in their roles for a long time as they work life balance is more reasonable compared to investment banking. Analysts move from sell-side to buy-side forms where the work is similar and is used by the firm's portfolio managers. Or, another common move is corporate development working on M&A transactions or work in financial planning and analysis.

Compensation

Based on the size of firm, compensation can vary widely.

- **Associate**: $80,000 to $140,000 (base salary plus bonus)
- **Analyst**: $120,000 to $500,000+ (base salary plus bonus)

Sales & Trading (S&T)

Sales and trading professionals of an investment bank helps mutual funds, hedge funds, pension funds, etc., facilitate transactions (buy/sell). This is a strenuous career in a very fast-paced environment.

There are licensing requirements for traders including Series 7 and Series 63 in the US.

Key Personality Traits of Sales & Trading Professionals

- Highly ambitious/driven to succeed
- Competitive
- Communicates effectively
- Incredibly personable
- Polished and presentable
- Can dissect large amounts of information quickly and relay it efficiently to others
- Passionate about markets

Most Common Entry/Exits Points

An Associate role is the typical entry point for Sales & Trading professionals. Candidates can move into Director, Vice President, Executive Director, Managing Director and Head positions depending on the size of the firm.

Exit opportunities include staying at the firm or going to work on the client (buy side) side.

Compensation

- **Analyst:** $100,000 to $150,000 (base salary plus bonus)
- **Vice President/Director:** $150,000 to $250,000+ (base salary plus bonus)

Commercial/Corporate/Consumer (Retail) Banks

Commercial Banks provide individuals and lower-tier businesses with credit products such as term loans, revolving lines of credit, syndicated facilities, cash management services and other fixed income products.

Corporate Banks primarily deal with corporations and institutions providing the same services listed above. They provide clients with financing through debt issuances, structured products and other banking and investment products.

Consumer Banks provide services to individual customers, rather than to companies, institutions or other banks.

As a credit analyst or account manager, you will deliver financial advice and solutions that are tailored to your clients' needs such as growing their business, buying new equipment, funding working capital and day-to-day banking.

Key Personality Traits of Commercial Banking Professionals

- Analytical
- Inquisitive
- Friendly
- Self-motivated
- Focused
- Relationship-oriented

Most Common Entry/Exits Points

Credit analysts are recruited from both undergrad and account managers from an MBA program.

Credit analysts are tasked with analyzing a client's financial statements, competitive position, industry and management team. The analyst prepares an application for credit that will determine the structure and pricing of a financing request.

An **account manager** is focused on business development and is more client focused.

Work life balance is reasonable with hour typically from 8 am to 6 pm.

Those who seek to move out of commercial banking may go in the direction of corporate banking, investment management or private lending.

Compensation

- Credit Analyst: $50,000 to $80,000 (base salary plus bonus)
- Account Manager: $60,000 to $100,000+ (base salary plus bonus)

Custodian Banks

A custodian bank, or simply custodian, is a specialized financial institution responsible for safeguarding a firm's or individual's assets and is not engaged in "traditional" commercial or consumer/retail banking such as mortgage or personal lending, branch banking, personal accounts, automated teller machines, etc.

Custodian banks do the following:

- Hold in safekeeping assets/securities such as stocks, bonds, commodities such as precious metals and currency (cash), domestic and foreign
- Arrange settlement of any purchases and sales and deliveries in/out of such securities and currency
- Collect information on and income from such assets (dividends in the case of stocks/equities and coupons (interest payments) in the case of bonds) and administer related tax withholding documents and foreign tax reclamation
- Administer voluntary and involuntary corporate actions on securities held such as stock dividends, stock splits, business combinations (mergers), tender offers, bond calls, etc.

- Provide information on the securities and their issuers such as annual general meetings and related proxies
- Maintain currency/cash bank accounts, effect deposits and withdrawals and manage other cash transactions
- Perform foreign exchange transactions
- Often perform additional services for particular clients such as mutual funds; examples include fund accounting, administration, legal, compliance and tax support services

There are four major areas of specialization for professionals in custodial banking:

- Client Relationship Management and sales
- Product Development
- Delivery (Operations)
- Technology

Most Common Entry/Exits Points

Junior roles in custody have historically been very process-driven. However, this is changing as many of the repetitive tasks are becoming automated. Some common entry points include corporate actions, product development (analyst) and process analyst.

The following four banks manage most of the US Custodian business:

"Day in the Life" Insight: https://www.linkedin.com/pulse/wall-street-custody-middle-office-day-life-ac-officer-mike-holman/ (4 separate "Day in the Life" articles)

Merchant Banking

Merchant banks deal mostly with international finance, business loans for companies and underwriting. They are experts dealing with international trade and multinational corporations. Merchant banks may perform some of the same services as Investment Banks but it does not provide general banking to the public.

A main function of the merchant bank is to provide financing to large corporations that do business overseas. These banks facilitate trades through the use of a "Letter of Credit" (LOC) that acts as a form of payment in international transactions. They also manage the currency exchanges as funds are transferred.

One primary difference between a merchant bank and an investment bank is that merchant banks work with companies that may not be large enough to raise funds through an "initial public offering" (IPO). Investment banks underwrite and sell securities through IPOs.

Examples of Isenberg Alum in Related Positions:

Tamar Katz (Investment Banking Analyst in Real Estate & Lodging Group @ CitiBank)

Joshua Owczarski (Investment Banking Analyst @ Capstone Headwaters)

Olivia Wise (Investment Banking Analyst Mergers & Acquisitions Infrastructure @ Morgan Stanley)

Hannah Kim (Investment banking Analyst @ Cowen and Company)

Julian Riesel (Private Banking Consultant @ Bank Leumi USA)

Moureen Kim (Sales & Trading Analyst @ Citi)

Eileen McDonald (Sales & Trading Analyst @ JPMorgan)

Anthony Espinosa (US Equity Sales at Macquarie Group)

Ozi Sander (Trading @ Citi)

Andrew Dunne (FX Trader @ Standard Chartered Bank)

Benjamin Spotts (Trading Operations Associate @ Fisher Investments)

Anna Besyakova (Commodities Trade Control @ Merrill Lynch)

Kyle Jessey (M&A Analyst @ Credit Suisse)

Zev Garell (Leveraged Finance @ JPMorgan)

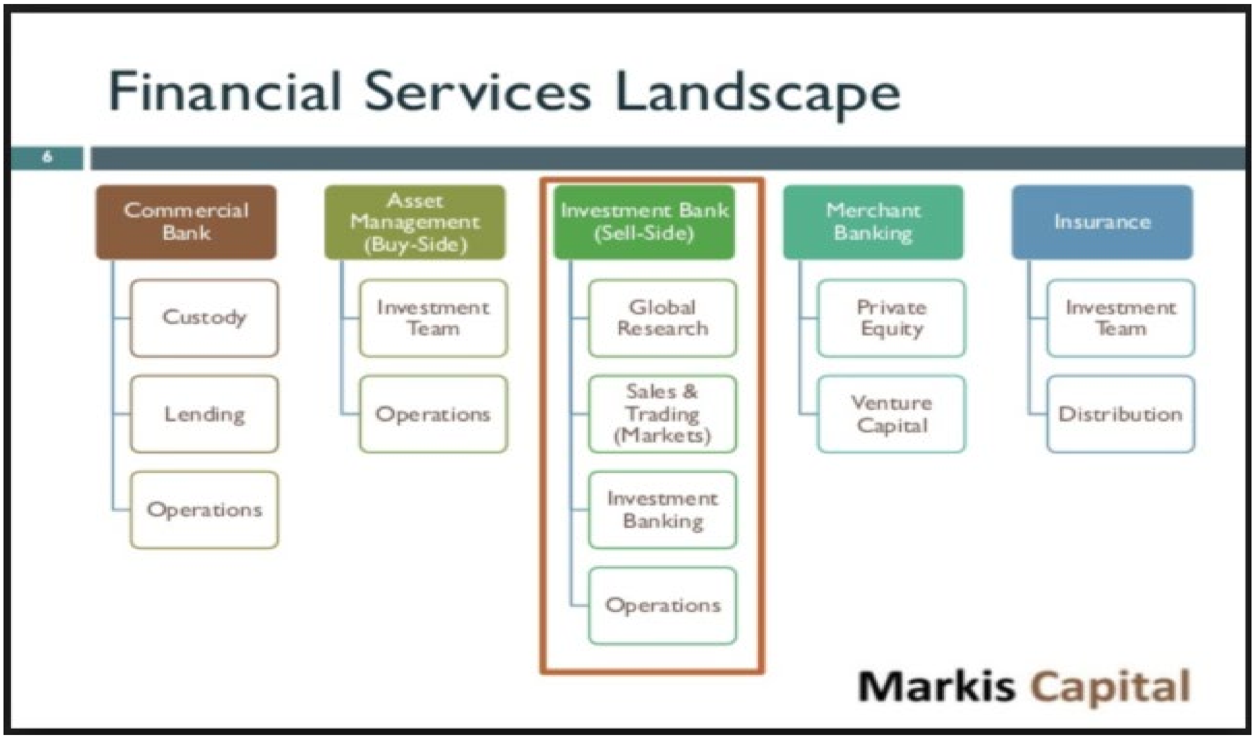
Jill Sawyer (Senior Equity Research Associate @ Citi)

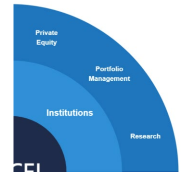
Omer Sander (Equity research Analyst @ JPMorgan)

Steven Reece, CFA (Global Equity Analyst @ Eaton Vance)

Zachary Fadem (Senior Equity Analyst @ Wells Fargo)

As we move to the next slice of the corporate finance universe focused on Institutions, a graphic illustrating the differences between financial institutions serves to reinforce what is being presented.





Institutions ("Buy-Side")

Institutional asset managers, which are often collectively referred to as the "buy side", offer a wide range of roles including:

- Private Equity
- Portfolio Management
- Research

"Buy side" means a firm is involved in purchasing stocks, bonds, derivatives and other securities from a sell-side bank/dealer. These institutions manage the money that's being invested in the markets. Professionals are often very cerebral, analytical and professional and can endure the long hours associated with a career in a buy-side firm. Compensation can be high based and based on a performance compensation structure that reflects their investment returns/track record.

In general, buy-side analysts research and make recommendations about profitable investments. These recommendations are passed on to the fund managers who execute the trades. Buy-side analysts must be able to assess how well each investment aligns with the fund's investment strategy in order to make strong recommendations. The word of a buy-side analysts is often highly trusted and also monitored as a high record of reliability is key to the success of the fund.

Buy – side analysts enjoy a highly prestigious and rewarding career.

Most Common Entry/Exits Points

The role of Associate is the common entry point for buy-side analysts and are typically recruited from MBA programs. Associates typically spend 3 – 4 years before becoming an associate-analyst and finally an analyst.

It is common for associates and analysts to stay in the buy side for a long duration. Some research professionals go to private equity or start their own funds.

Compensation

- Associate: $120,000 to $200,000 (base salary plus bonus)
- Analyst: $200,000 to $1,000,000+ (base salary plus bonus)

Portfolio Management

Portfolio Managers (PM) oversees the management of investment portfolios for their clients. Clients include pension funds, banks, hedge funds, wealth management firms, insurance companies, charities and family offices. The PM is responsible for maintaining the proper asset mix and investment strategy that suits the client's needs.

Key Personality Traits of Portfolio Management Professionals

- Cerebral
- Detail oriented
- Quantitative
- Client focused

Most Common Entry/Exits Points

PM's typically advance into the position from a financial analyst role in equity research. Strong performance and expertise help an analyst move into a portfolio manager position. This typically occurs at a later stage in a professional's career and may take several years as an associate or analyst before becoming a PM.

The role of portfolio manager is often an end point for many professionals and gaining more assets under management (AUM) becomes the focus. Some professionals may tale on leadership or executive roles at the firm or start their own asset management firm.

Compensation

- Junior Portfolio Manager: $200,000 to 500,000+
- Senior Portfolio Manager: $500,000 to 1,000,000+

Private Equity

Private Equity is a common career progression for investment banking professionals. While there are advantages to a buy-side career, the hours are still long and require extensive financial modeling work. Roles in PE are less client facing/sales oriented than investment banking unless you are a senior and involved in fundraising which demands strong relationship building capabilities.

Key Personality Traits of Private Equity Professionals

- Highly ambitious
- Competitive
- Detail oriented
- Quantitative
- Polished and presentable

Most Common Entry/Exits Points

There are two primary entry points into private equity.

MBA candidates are recruited as associates from top schools. Prior banking experience is not necessarily required and associates typically remain in the position for 2 – 3 years until they get promoted to VP or move onto something else.

Investment banking professionals are also recruited in private equity due to their strong financial modeling and valuation skills. They also stay 2 – 3 years before a promotion to VP or a move to something else.

PE professionals who do not seek leadership roles or decide to leave one may own and operate small or mid-sized businesses.

Compensation

- **Associate:** $200,000 to $300,000 (base salary plus bonus)
- **VP/Director:** $300,000 to $600,000 (base salary plus bonus)
- **Principal:** 1,000,000+

Examples of Isenberg Alum in Related Positions:

Luke Zhou (Private Equity Analyst @ Blackrock)

Michael McCorkle (Private Equity Senior Associate @ State Street)

Michael Houy (Private Equity Partner/Investor @ FC Prestone)

Christopher Finn (Director, Real Estate Private Equity @ Liberty Mutual)

Nicholas Aveni (Private Debt Analyst, Private Equity Analyst @ Barings Capital)

James Bardowski (Senior Associate Analyst, Institutional Equity Research @ Axiom Capital Management)

Bob Doane, CFA (Assistant Portfolio Manager @ The Hartford Investment management Company)

Myles Grenier, CFA (VP, Portfolio Management at Gurtin Municipal Bond Management)

Brennan Mack (Associate Director – Leveraged Finance Credit Risk)

David Dupre (Portfolio Manager Associate @ US Trust)

Jacqueline Krusemark (Investment Research Associate @ Wellington Management)

Benjamin Black (Investment Grade Research Analyst @ Barings)

Jeffrey Ambrosi (Equity Research Associate @ Merrill Lynch)

Gregory Yencharis, CFA (Fixed Income Research Analyst @ Neuberger Berman)

Lenny Senkovsky, CFA (Global High Yield @ Eaton Vance)

Sam Plotkin (Private Equity Valuation Analyst @ Wellington Management)

Jordan Kohn (Associate Analyst Sirios Capital)

Adam Ladd (Investment Associate @ Amherst College)

Wealth Management/Financial Planning

A financial planner advises individuals on managing their personal finances and deals with matters such as saving for retirement, saving for college, saving for a home or car purchase, budgeting, expenditure control, borrowing and investing. A good financial planner understands taxes, estate planning issues and knows how the listen. The best financial planners are individuals with the heart of a teacher who enjoy helping clients understand how different financial products can increase their personal wealth.

Two general categories of financial planners exist and work under one of two professional “standards”: *suitability* and *fiduciary*. Each of these has difference in how advisors relate to clients and how they earn income.

Registered Investment Advisors (RIA) are licensed under the SEC and work under a strict “fiduciary standard” established in 1940 by the Investment Advisors Act. This act established the highest level of care a financial planner or advisor operates under. The focus of a fiduciary’s work is focused on the best interest of the client where conflicts of interest must be revealed. Similar to the level of care delivered by a lawyer or doctor, a RIA is required by law to put your financial interests ahead of his or her own. RIA professionals earn income through charging hourly rates, a fixed annual retainer or a percentage of the assets they manage.

Financial advisors who operate under the “suitability” standard can provide advice and financial products that may be considered “suitable” for a client based on the client’s understanding of his or her financial situation. The suggestion of the advisor meets a suitable or reasonable solution. In this scenario, an advisor could suggest a product which provides him or her with a higher commission, meets the expectations of the client and is not required to reveal any conflict of interest. These professionals may be stock-brokers, insurance agents or may work at a bank and are licensed under FINRA (Financial Industry Regulatory Authority).

Many planners work either independently, in small firms or as representatives of larger financial services firms. Others may work in an insurance company. A financial planner may have relationships with financial advisors (branch managers), investment managers and/or mutual fund companies and leverages these relationships for actual investment activities on behalf of clients.

Staying current about developments in various financial products and how they can effect retirement and estate planning is essential for these professionals. While not every state requires certification, passing the exam to become a Certified Financial Planner (CFP) increases credibility and marketability to both employers and clients alike.

Being successful in sales is critical to the success of any financial planning professional as building and developing a client base.

Key Personality Traits of Private Equity Professionals

- Are proactive
- Hold high standards
- Have personal integrity
- Excellent listening ability
- Have passion and empathy
- Are intellectually curious
- Highly analytical

Compensation

Compensation for wealth management professionals is varied and depends on a mix of bonuses and salaries and how a firm structures the overall compensation package.

A grid compensation model ties earnings to performance and thus, the “sky is the limit”. A fee of 1% to 1.5% is charged on assets under management (aum). More revenue brought in equates to a higher percentage of aum.

- 0 – 2 yrs: $50K - $75K
- 3 – 5 yrs: $100K - $200K
- 6 – 10 yrs: $250K - $500K
- 10+ yrs: $675K - ?

Examples of Isenberg Alum in Related Positions:

Jake Northrup, CFP (Investment Advisor @ Ballentine Partners, LLC)

James O’Hearn, CFP, AIF (SVP @ Investment Services Manager)

Christa Norton Canavan, RIA (Principal @Norton Financial Consultants)

Matt Whiting, CFP, CRPC (VP, Wealth Management Advisor @ Merrill Lynch)

Jennifer Welsh (Associate Financial Advisor @ Northwestern Mutual Financial Network)

Megan Trask, CFP (Senior Financial Advisor @ Connecticut Wealth Management, LLC)

Insurance/Risk Management

The two primary types of insurance companies include: Life/health and property & casualty. The Life/health sector is comprised of mostly life insurance and retirement annuities and property & casualty covers home, auto and commercial business.

The scope of opportunities in the insurance industry is broad including careers in claims, underwriting, sales, and financial analysis associated with policies, firm investments and portfolio management. Many finance professionals pursue careers where analytical and technological skills are required

Actuary

Actuaries calculate risk using mathematics, including probability and statistics to help insurance providers set policy rates. Factors such as mortality rates and income levels help actuaries to establish policy rates. Actuarial projections are used by insurance companies to identify the most desirable clients. Thee professionals must commit to continuing education and take exams throughout the span of their careers. Skilled actuaries offer excellent business knowledge of finance, accounting and economics. They are often interested in a variety of historical, social, legislative and political issues as these all intersect in the work actuaries do.

Key Personality/Skill Traits of Actuaries:

- Specialized math knowledge – calculus, statistics, probability
- Keen analytical, project management and problem-solving skills
- Strong technical skills
- Solid Written and Oral communication skills
- Self-motivation
- Creativity
- Independence
- Ambition
- Ability to work with others

Compensation:

Actuaries are well compensated. Experienced professionals have the potential to earn from $150 - $250,000 annually and many earn more than that. Entry level salaries begin in the low $60's and increase with experience and the passing of required exams. Compensation also reflects the type of insurance disciple (Casualty, Health, Life, Pension) a person works in.

For detailed information about actuarial salaries, please visit
http://www.dwsimpson.com/salary#entrylevel

Corporate Finance

See prior section about careers in Corporate Finance. All employers in all industries have corporate finance functions.

Investments/Risk Management

Insurance companies need finance professionals to manage massive investment portfolios.
In fact, Met Life has an amassed portfolio of over $466 billion in assets. Large teams are required to ensure the success of these portfolios and analysts, traders, portfolio managers work together to make critical decisions on a daily basis.

Insurance companies represent massive buy-side institutions and often work with investment banks and capital market groups for access to desirable product offerings, such as equity IPOS and bond offerings.

Finance professionals working in the Insurance Industry either start their careers in the industry as a financial analyst or come from a career as a analyst in other industries.

Read about “Buy Side” careers in the prior section of this document.

Examples of Isenberg Alum in Related Positions:

Christopher Davey (Senior Actuarial Analyst @ Liberty Mutual)

Alexander Swanton (Pricing Manager, Spain Risk and transformation @ Liberty Mutual)

Dean Genatossio (Financial Analyst II @ The Hanover Insurance Group)Jon Barron (Director Investment Management @ John Hancock Financial Services)

Anmol Ahuja (Risk Management Analyst @ Liberty Mutual)

Nathaniel Clarkin (AVP, Corporate Finance @ The Hanover Group)

Real Estate

The real estate industry is essentially a service business. There is no product to manufacture, assemble or sell. Professions within the real estate industry vary. Brokers and agents lease and sell properties. Real estate developers buy land, build property on it and sell it to interested parties. Building Managers act on the owner's behalf and deal with day-to-day issues of properties. Appraisers must assess the value of properties before they can be sold.

More than 5 million people in the US work in real estate fields such as construction, mortgage banking, property management, real estate appraisals, brokerage and leasing and development. Others are involved in commercial property and in real estate lending in commercial banks, savings and loans and insurance companies.

In some real estate careers, strong analytical and financial acumen, similar to corporate finance or banking jobs, is required. Those professionals who manage real estate portfolios and real estate as part of an asset management strategy employ very similar skills and interests to other finance professionals.

Real Estate Asset Management is the area of the real estate industry where those with an investment focus and an interest in property will find great satisfaction. One may enter this profession from Real Estate advisory practices in large public accounting firms, from a focus on property valuation or from a more traditional finance investment background. The major difference is that real estate asset management professionals are also involved with operations, marketing and personnel making this career more similar to a CEO level role that managers the success of an entire enterprise.

Jobs in Rea Estate Asset Management are broadly classified into these five categories.

Site Manager (entry level)

Site Managers are involved in the day-to-day handling of the operations of properties. They liaise between tenants and owners. They can be responsible for oversite of:

- Technical problems
- Maintaining physical plants
- Routine inspection and repairs
- Tenant relations and complaint resolutions
- Negotiating terms and marketing vacant properties
- Maintaining accurate accounts
- Analyzing financial performance
- Handling site staff, leasing agents and maintenance personnel

Compensation: $38,292 - $41,849 (may include housing)

Property Manager

The property manager oversees one or multiple properties, with tasks being similar to a site manager only for multiple entities.

These individuals needs to create valuable properties through net operating income improvement by minimizing operational costs and optimizing rentals.

Compensation: $80,013 - $106,055

Regional Manager

At the regional or portfolio manager level, individuals are charged with complete accountability for property performance. This includes financial performance and also training, recruitment and development of personnel.

Day –to-day tasks will include:

- Extensive travel
- Auditing financial activities
- Monitoring properties
- Conducting market analysis
- Manage team
- Offer rental rate accommodations
- Analyze revenue and form property portfolio

Compensation: $46,734 - $126, 613

Asset Manager

Asset management professionals treat property as an investment and the decisions made about the property is assessed for its impact on financial performance. IN this space, all activities necessary to enhance the value of the property portfolio is undertaken such as defining performance goals, operational functions and caretaker goals.

Asset managers often represent the property owner and is entrusted with retaining third-party management companies and supervising them.

Job descriptions for asset manager roles are constantly evolving and vary from one professional setting to the next. What remains constant for this position is the focus on changing market conditions and the related economic factors that can impact the property valuation.

Compensation - Average: $71,942

Management Executive

Generally, the job of the management executive is to handle the real estate management company and not on interacting directly with properties. While the role varies depending on the size of the real estate management company, these professionals focus on leveraging opportunities for the organization and increasing growth.

Compensation: $240, 628 - $344,696

Types of Companies That Hire Real Estate Asset Management Professionals

Real Estate Companies

Full-fledged real estate companies offer a complete range of real estate management services to a selected clientele.

Property Management Firms

These are similar to real estate companies but function more like a “boutique” firm involved in offering real estate management services to both institutional owners and individuals in exchange for a fee.

Real Estate Development Companies

These companies are typically involved in both the development and management of their developed real estate properties. Development involves prospecting, renovating, building and restoration.

Commercial Banks

In commercial banks, real estate asset managers handle the varied real estate portfolios – properties owned by the bank and those held in trust with the bank.

Real Estate Investment Trusts (REITS)

The REIT functions as a group to secure the investment of property investors. Real estate asset managers are hired to manage the REIT properties.

They also have to use financial knowledge to help property owners assess the value of their properties and enhance their portfolio.

Corporations

Many corporations have a separate real estate development department to manage their investments, whether company owned or owned by their clients.

They hire in-house real estate asset managers to conduct various tasks including devising best uses for corporate properties, restoring properties, selling and leasing them.

Government Agencies

Government housing and development departments retain real estate asset managers in their staff to handle commercial, state housing, local housing and other real estate related government agencies.

Insurance Companies

Insurance companies often invest in real estate and it is a main component of their investment portfolios. They hire real estate asset managers to handle the portfolio and to offer high-scale portfolio management services to pension fund owners and institutional investors.

Mortgage Brokerage Firms

Mortgage brokerage firms employ real estate asset managers to provide management services for marketing to investors and their financial management.

Religious & Charitable Organizations

These organizations often deal in no-cost or low-cost housing schemes and such, they require real estate managers who are interested in social services and management.

Examples of Isenberg Alum in Related Positions:

Hunter Foote (Real Estate Investment & Development, Managing Director @ Honeybee Financial LLC)

Andrew Timba (AVP @ KIG Real Estate Advisors)

Alexa Rozelle (Real Estate Analyst @ Duff & Phelps)

Matthew Wolfer (Real Estate Investment Analyst @ Scudder Bay Capital, LLC)

Justin Pepple (Commercial Real Estate Advisor @ ABG Commercial Realty)

Rachel Vincent (Real Estate Analyst @ Liberty Mutual)

Kylan Mandile (Associate Director, Structured Real Estate Investments @ Baings)

Robert Sapozhinkov (Investment Manager @ Allied Realty Fund, LLC)

Zachary Winer (Regional Director @ Natixis Investment Managers)

Social Impact Investing

Social investing is the practice of making investments that unleash the power of capital for good. Impact investments are made with the intention to generate positive, measurable social and environmental impact alongside a financial return. These investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending on investors' strategic goals.

The following types of finance professionals and entities may be attracted to this industry:

- Fund Managers
- Development finance institutions
- Diversified financial institutions/banks
- Private foundations
- Pension funds and insurance companies
- Family Offices
- Individual investors
- NGOs
- Religious institutions

The Global Impact Investing Network (GIIN) is a good resource to learn more about this industry and to learn about job opportunities. This resource may help you develop a list of organizations involved with Impact Investing and begin to explore more in depth.

RESOURCES used as reference this document

www.corporatefinanceinstitute.com

www.wallstreetoasis.com

www.Financewalk.com

www.thebalance.com

www.bls.gov

www.onetonline.org

http://guides.library.umass.edu/business (Career Insider: Vault)

www.investopedia.com

www.mergers&inquisitions.com

www.myfinanceinterview.com

www.efinancialcareers.com

https://thegiin.org/impact-investing/need-to-know/ (Global Impact Investing Network)