

INTERVIEW QUESTIONS & GENERAL TIPS

RESOURCES

- Glassdoor.com
- www.wilmot.com
- <http://www.mergersandinquisitions.com/>
- Books
 - “Quant Job Interview Questions & Answer”
 - “Heard on the Street”

“GET TO KNOW YOU” QUESTIONS

- **Tell me about yourself**
 - What are your strengths?
 - Are you a self-starter? Give examples to qualify your answer
 - What motivated your interest in finance?
 - Do you consider yourself a leader?
 - Leadership and involvement Questions [Goldman Sachs]
 - Who is your biggest role model in your life? What is the best piece of advice you’ve received from that role model? [Marriott]
 - What is your greatest achievement and why? [Mercer]
 - What are you most proud of? Your proudest achievement? [Blackrock]
 - What TV shows, newspapers or websites do you visit? [Blackrock]
 - What stimulates you outside of work? [Mercer]
- **Walk me through your resume [Raytheon] [Marriott] [Mercer]**
 - What is your experience with excel? [Raytheon]
 - Tell me about your experience
 - Tell me directly how your coursework will prepare you for this role [Allstate]
- **Why this position?**
 - Why do you want to work in the financial industry? [Goldman Sachs]
 - Why sales? [Bloomberg]
 - Why analytics? [Bloomberg]
 - Why Finance? [Bloomberg]
 - What type of position do you want in Finance? What do you enjoy about Finance?
 - What product would you like to trade?
- **If I could take one thing away from this interview about you, what would it be?**
- **Future Plans**
 - Where do you see yourself in 5-10 years? [Mercer]
 - If you had to choose between waiting for your dream job or a mediocre job that was available right now - what would you choose? [Bloomberg]
 - If you didn’t work for a living, what would you do? [Marriott]

- Where do you see yourself in five years?
- How does this company help you reach your goals
- Describe your ideal workplace
 - Challenging environment
 - Opportunity for professional development
 - Collaborative atmosphere

WHY THIS COMPANY AND THE FUTURE OF THE COMPANY

- Research the company
 - Find out what they do
 - Read the Mission Statement on their website
 - If they are listed on any stock exchanges
 - Where they are currently and where they are headed in the future
 - Competitors in the companies given industry
 - Read the job description of the job you are interviewing for and familiarize yourself with the position
 - Research the industry
- Why this Company
 - Why do you want to work for us? [Platinum Home Mortgage] [Bloomberg][Goldman Sachs][Every company]
 - What do you know about Vanguard? [Vanguard]
 - Why do you want to work for Mercer? [Mercer]
 - Why choose Allstate? [Allstate]
- Knowledge and Strengths of the company
 - Can you tell me some background information about Bloomberg's company? [Bloomberg]
 - Other than the Bloomberg terminal, what are other products and services that are offered? (There are ton of supporting products so know your stuff) [Bloomberg]
 - How does the analytics team make the sales team job easier? [Bloomberg]
 - Is [company] a commercial or investment bank? [Goldman Sachs]
 - What was the stock price of Goldman Sachs this morning? [Goldman Sachs]
 - Why didn't [company] fall like Lehman brothers or AIG during the financial crisis? [Goldman Sachs]
- Future of the Company
 - Questions regarding the future of the company [Goldman Sachs]
 - How would computer-operated cars change the insurance industry? [Allstate]
 - What would result if the company stopped renewing insurance policies in a hurricane region? [Allstate]
 - What the insurance industry will face in the upcoming years. [Allstate]

CURRENT EVENTS AND ECONOMIC

- Current Events and Forecasts

- Tell me a few things that are going on in the market right now? [Bloomberg]
 - How do these current events affect our customers? [Bloomberg]
- Where do you think the stock market will be in the next 12 months? [USB Investment Bank]
- What is something that's happened in the news financially that interests you? [Vanguard]
- What current trends do you see in the markets? [Vanguard]
- What is the state of the U.S. Economy? [Local Finance Company]
- Economic Crisis and Repercussions
 - How did Bear Sterns fail? (Goldman Sachs- Sales and Trading position)
 - How did the stock market crash in 2007? (Goldman Sachs- Sales and Trading position)
 - What caused the Financial Crisis of 2008? [Goldman Sachs]
 - What regulations were a result of the crisis?
 - How familiar are you with the Sarbanes-Oxley Act (SOX)? [Accounting Firm]
- Economic relationships
 - What has been the global impact on gasoline? [Accounting Firm]
 - What is the impact on the rise of the dollar over other currencies? [Local Accounting Firm]
 - What steps can the Fed take to influence the economy? [UBS Investment Bank]
 - Why can inflation hurt creditors? [USB Investment Bank]

TECHNICAL QUESTIONS

- Finance
 - Is 15 a high P/E ratio? [USB Investment Bank]
 - What type of investment would have a negative beta? [UBS Investment Bank]
 - What factors influence the price of an option for a stock? [UBS Investment Bank]
 - What does it mean to hedge? [UBS Investment Bank]
 - What is a leveraged buyout? [UBS Investment Bank]
 - What is securitization? [UBS Investment Bank]
 - Explain/ walk me through a debt capital market (DCM) [Local Finance Firm]
 - What are the pros and cons of using debt or equity to finance an investment? [Local Finance Firm]
 - In which conditions would a company prefer a debt over equity finance?
 - What do you know about home mortgages? [Platinum Home Mortgages]
 - Which financial statement, the balance sheet or income statement, do you believe would need to be looked at to evaluate the true value of a firm and why, the income statement or balance sheet? [Honeywell]
 - Walk me through the process of an NPV project you did for class. [Raytheon]
 - They give you a case and about 5 minutes to review it, they ask you to summarize the case and how you would help the client and recommendations you would provide. [Allstate]
 - What is operations? [Goldman Sachs]
 - Risk management questions – deciding what the riskiest items might be from a few examples given to you [Goldman Sachs]
 - Describe duration and convexity
 - What are the assumptions of the Black Scholes Model and are they reasonable?
 - What major factors drive mergers and acquisitions?
 - Growth stocks vs value stocks

- Accounting
 - Obviously we are a big manufacturing company with lots of big equipment that depreciates over time. Can you please describe for me the effect that depreciation has on our equipment on our financial statements, and in regards to our overall company? [Minco Technologies]
 - If I wanted to see the true health of our company over the last three years which financial statement should I look at? How about if I wanted to find the value of our company then? Walk me through that process please. [Minco]
 - What are the four financial statements? [Accounting Firm]
 - Walk me through a balance sheet
 - Explain what will occur to an income statement when various accounts are over or under stated.
 - What is the difference between a balance sheet and an income statement and what are the key things you would look for in each?
 - Can you describe for me how you would define working capital, and can you please give me an example of both how to increase, and decrease working capital? [Minco Technologies]
 - What are some examples of financial distress? [Local Finance Firm]
 - Describe and give examples of something that is tangible and intangible? [Local Accounting Firm]
 - What is goodwill? How does it affect net income?
 - What are the three chapters of bankruptcy? [Local Accounting Firm]
 - What is the difference between EBIT and EBITDA? [Local Finance Firm]
 - We have two projects, one with a higher NPV and the other with a higher IRR. Which should we choose and why? [Intel]
 - If you were going to sell the pen in my hand right now, what would be the two journal entries of the sale? [Honeywell]
 - If your inventory is fluctuating in price, can you please describe the effect on your income statement and/or balance sheet? [Honeywell]
 - If we were undertaking a \$5Million project to build a new engine, can you please tell me the accounting method we would use to record our revenues? [Honeywell]
 - Can you please describe for me the difference between accrual accounting and cost accounting?[Honeywell]

BRAINTEASER OR PERSONALITY QUESTIONS

- You can take three things on an island. What would they be? [Zappos]
- How weird are you? [Zappos]
- 2 buckets
- 3 light switches

SALES PITCH

- What stocks would you buy/recommend today? [Goldman Sachs]
- If you had all the money to invest in a stock, what industry/stock would it be and why? - What was the stock price at last time you checked? [Bloomberg]

- Would you recommend money market funds or stocks & bonds to this client and why? [Vanguard]
- Other than financial companies, who would have interest in owning a terminal? [Bloomberg]
- Discuss some investing strategies like hedging strategies
- Sell me this pen [Local Finance Company]
- Walk me through a sales pitch for this product after calculating its gross margin, pricing tiers, and the overall impact it will have on our bottom line. [Local Finance Firm]
- What is a sector you're bullish on? What sector are you bearish on? [UBS Investment Bank]
- Would you recommend money market funds or stocks & bonds to this client and why? [Vanguard]

ANECDOTAL

- Have a few anecdotes prepared
- What are a few examples of something that you have done to make a system/project task easier or more efficient? [Goldman Sachs]
- Talk about a time where you had to improve an existing process in order to achieve a desired outcome. [Allstate]
- Describe a time when you had to learn a new skill quickly, what did you do? [Vanguard]
- Describe a time when you had to think outside of the box [Vanguard]
- When working on a project, describe a time when you provided strategic analysis as required to drive improved decision making. What was the situation? How did you come up with your resolutions? [Allstate]
- Tell us about a time when you had to overcome a difficult obstacle? [Mercer]

ETHICS

- How would you rank the following?: ethics, risk management, customer service (Goldman Sachs- Operations division)

WEAKNESSES OR TOUGH SITUATIONS

- What's your biggest weakness?
 - Don't BS these
 - Not, I'm a perfectionist, or I work too hard
 - Give a weakness, but address how you've corrected for this, and how it will not interfere with the job
- Tell me something that you are absolutely terrible at. [Bloomberg]
- What is your greatest weakness? [Marriott]
- Name a time when you were unable to meet a deadline, what did you do? [Marriott]
- What did you do when you got negative feedback from your boss or professor? [Zappos]
- Explain a time when you analyzed data and used your analytical skills [PetSmart]
- Name a time when you were unable to meet a deadline, what did you do? [Marriott]
- Tell us about a time you led a team and had difficult problems to face along the way [Raytheon]
- What is your greatest weakness? [Marriott]
- Name a time when you dealt with an upset customer and how did you handle it? [Vanguard]

- What is the most difficult situation you have had to face and how did you handle it?
- Why did you leave your last position?
- Describe a time you had difficulty working with a coworker?
 - Explain how you listened, and how you collaborated, and how well you got along afterwards,
- Describe your biggest mistake?
- From your resume, I noticed that you interned at a small investment banking boutique. Did you pursue a full-time job offer with them? What happened?

WHEN YOU DON'T KNOW THE ANSWER TO

- If someone asks, "have you worked with X" and you haven't, the correct answer isn't "No, I haven't," it is "I've worked with Y extensively and I've been dying to get my hands on X. I know that a lot of skills overlap between the two, but I haven't had a chance to use X yet. I've kept up on it and my strong background in Y makes me confident I'd pick up on X quickly."

POSSIBLE QUESTIONS TO ASK THE INTERVIEWER

- [You MUST have some questions to ask the interviewer – otherwise it looks like you'll just take any job]
- **Try to imply that you are already part of the team/office**
 - What would a typical day of the position be?
 - Can you show me around the office
 - If I were to step into this role tomorrow, what would be my top priority?
 - Try dropping the pronouns “we” or “our”
- If I were to get this job, is there anything you would recommend I do/read/learn beforehand, in order for me to be more prepared on day one?
- Are there promotion possibilities of the position?
- [From a hiring manager] “I did a round of interviews last week. The best candidate, when prompted for any questions he may have had at the end, gave us a sort of brief run-down of the position and what he thought he'd be doing. And he asked us if that was accurate, and if we could fill in any blanks.”
- Inquire about projects that are coming in the pipeline
- Why is the position open?
- Is there any reason you can think of that I wouldn't be a good fit for this position? Are there any concerns about my fit for the position that I might be able to elaborate on? (This one is a bit risky, but it could give you a very good indication of your chances)
 - [From a hiring manager] “At the end of the interview, ask if they have any concerns about your resume, your interview answers or your application in general. It's a great way to see if there is anything they

perhaps misunderstood or you didn't explain well enough. I've asked this in every interview and in all but one it's given me some immediate feedback and the ability to allay any concerns they might have. For example, I once had someone say I interviewed great but they were concerned I lived too far away, something that didn't come up in the interview. I was able to then say I would be relocating.”

- If there was anything you could change about the company, what would it be? (this question can potentially provide negative details about the company you weren't aware of)
- When might I hear back from you? When are you looking to make your decision?

GENERAL TIPS FOR INTERVIEWING

- **Send a thank you note**
 - Include details from the conversation
 - Reiterate why you are a good candidate
- Follow the application to a “T”
- There is no doubt that it is easier to obtain an interview/job once the company can associate a face with the name
 - Friends
 - Career Fairs
 - Professional Organizations: CFA Meetings
 - Contacting the hiring manager
 - Call the HR department or department you're interested in, ask to speak with the hiring manager
 - You would love the opportunity to visit, to introduce yourself
- As soon as anyone walks into the interview room, immediately stand up and offer a hand shake and introduce yourself
- Eye contact and handshakes are important, but don't overdo it
- Express what value you bring to the table and what skills you possess that can distinguish you from others
- Research the company and the position
 - But avoid gratuitously spouting the research on the company you've collected – instead casually drop it in conversation
- Provide evidence of knowledge of current techniques used in that position
 - Statistical and finance techniques: Monte Carlo simulation, scenario analysis, pulling random variables from normal distributions
 - Excel Skills: Data tables, scenario analysis
- Have a few anecdotes of your success in that position – or on tasks you performed in school which were similar
- Take a notepad, for example the one you used for your interview notes. Make sure you ask if it's okay that you have your notes out, or if you can take notes during the interview. You won't always be able to do this because

of a strict non-disclosure acts, but that's why you ask. Good things to write down include the person's name since it can be easy to forget, especially if more than one person is interviewing you.

- Advice from a Hiring Manager
 - “Answer their questions. Lots of people will start answering the question but never really finish because they go off on a tangent halfway through. It's frustrating as an interviewer to have to ask someone to get back on point, but it's also a little embarrassing for the candidate and it can throw you off your rhythm. I want to know the information because it's important. It also shows you listened to what was being asked of you and you delivered what was required.”
 - “Do interview prep before you go. You should be able to predict most of the questions, but just writing down what your strengths are and thinking about them will increase your confidence. Make notes on the company and role from the job description; how does that match up with your skills and experience? This crossover is important because it's usually why they will hire you.”
 - Ask what the next steps are and when you might be hearing from them. Use your instincts when it comes to follow up. If you interviewed at retail and it went well, check in with the manager in a week and let them know you enjoyed your interview and you'll be available to start very soon if they pick you. But if you interview at a large company that specifically doesn't take phone calls then don't harass them. If I'm in HR you email me asking when you will hear, chances are I'm chasing the hiring manager for an answer too.
- Advice from a Job Candidate
 - “I've been on a number of interviews, and my success rate is fairly high. But I think the big thing for me is that at this point in my career, I go in knowing that I don't NEED this job. They have to sell me on the position just as much as I have to sell them on me. Obviously, for many people who are currently out of work, new to the workforce, or hate their current job, this may not be the case. It may be hard, but try to fake it until you make it.”
- Do not be afraid of failure. If you perform poorly, you'll know it straight away and my best advice is just to take the rest of the day off and forget it. Then when you're feeling better try to figure out why it went poorly; bad preparation etc. I find a big one is the stress of getting somewhere new, where to park, who to ask for when I get there etc. Then work on these for the next interview.