

Top 10 IB Career Tips

With apologies to David Letterman

William M. Moore, Jr.
Professor of the Practice of Finance
Kenan-Flagler Business School

Former Goldman Sachs Partner (As quoted by William Cohan in *Money and Power*)

The guys who succeed in this industry are the guys who say, "I care about the reputation of the firm. I care about my reputation. I care about doing the right thing. I care about having a great firm. I care about attracting and retaining the best people.

If I do all of these things and do good business, eventually I'll be fine. But in this top five, there is nothing about making money.

The guys for whom making money is in the top three almost always get themselves into trouble.

- **No. 10 Think strategically first, then tactically**
 - i.e., take care to understand the big picture before you get immersed in the details
 - This will save time
 - It will help you recognize answers that don't make sense
 - It is critical to developing creative solutions to problems
 - *Malcolm McLean story*
 - *Community Offering IPOs story*

- **No. 9 Leadership and management skills become increasingly important as your career progresses**
 - First – you do much of the work yourself
 - Later -- you get most things done through others
 - *Develop a personal program to develop these skills*
 - *Incorporate candid, trusted feedback*
 - *Don't overemphasize the b-school quant courses*

- **No. 8 Most people don't care what you know until they know that you care**
 - Learn about them
 - Before you meet with anyone new, learn as much about them as you can
 - *Southern "Country Lawyer" call story*
 - *Morehead Scholar interviews story*
 - Before you do much talking - ask questions and **LISTEN CAREFULLY** to the answers
 - Don't underestimate how perceptive they are
 - *Trident story—dealing with community bank CEOs*
 - *Most of us are too focused on what we want to say rather than on what others are saying to us*
 - **Meetings tip:** the more you know about the other people there, the more successful you are likely to be.
 - Learn everything you can about them
 - Find out in advance as much as possible about each participant's attitude or opinion about key subject(s) to be discussed
 - Learn their names

Seating charts are helpful
-Former UNC undergrad (Morehead Scholar, Goldman Sachs, The Carlyle Group, Harvard MBA) email story

- **No. 7 Cultivate team-oriented effort**
 - Reward selfless, team-oriented contributions
 - Encourage constructive criticism and suggested improvements
 - But discourage whining and negativism
 - Listen carefully to those who differ
 - Learn their views well enough to effectively articulate them
 - Penalize selfish and/or disloyal behavior
 - Counsel the offender ASAP*
 - *If disruptive behavior persists, get rid of the source ASAP*
 - *Everyone makes people mistakes, the best leaders address those mistakes sooner rather than later*
 - *Non-team players are incredibly corrosive*
 - *Fay Vincent/Don Keogh Coke story*
 - *Hugh McColl story*
- **No. 6 Build & Cultivate Your Network & Support Group**
 - Mentors, Clients, Classmates, Non-IB Professionals, Pupils, Family
 - The most powerful determinant of happiness is the quality of your relationships with other people. *U. Michigan Professor Christopher Peterson*
 - *Try to avoid making enemies*
 - *No matter what the provocation, never disparage others—particularly competitors*
 - *If you belittle a competitor—no matter how truthful or justified—it will probably harm you more than it does the firm or person you criticize*
 - *Fired employee story*
- **No. 5 Attitude is (damn near) everything**
 - We all enjoy dealing with positive people on whom we can rely to roll up their sleeves and help get things done.
 - If you disagree, do so in a way that respects others' opinions and offer constructive alternatives.
 - Compete hard, very hard – but if you lose, do it gracefully
 - Learn why -- so you can compete more effectively next time
 - “I am never a failure until I begin blaming others.”
 - *Alex Brown story*
 - ***Importance during IB Internship--if you don't get a job offer, it will almost certainly be related to your attitude***
- **No. 4 Experience is the best teacher**
 - Case studies, practice, observing others, etc. all help
 - Nothing teaches you like actual experience
 - In IB, experience means working on deals
 - Do everything you can to insure that you will have numerous opportunities to work on deals
 - The more capable the firm or people with whom you work, the better the learning experience
 - The more able the other participants (client, lawyers, etc.), the better
- **No. 3 Understand what creates value in business enterprises**

- This is fundamental to all areas of investment banking
 - Learn and understand how and when to use all the major valuation methods
 - Secondary or alternative approaches often provide sanity checks
 - Creative approaches can—
 - open new business opportunities
 - lead to successful outcomes when traditional approaches don't work

True understanding of value is possible only after extensive analysis & due diligence and first-hand experience in numerous actual transactions in differing market conditions.

- **No. 2 Always strive to adhere to the highest ethical standards**

- Be prepared to resolve difficult situations or make tough decisions
 - Be aware that *“the human mind has the infinite capacity to rationalize in its own short-term best interests”*
 - Everyone needs help. You can get so immersed in a deal that you lose perspective. Therefore...
 - Cultivate relationships with people who's judgment you respect and trust (and will give you their candid opinions)
 - They are invaluable resources when you need objective counsel
 - Encourage devil's advocacy in your firm or group
 - ***At Trident we didn't pursue a transaction unless we could answer yes to (at least) these questions***
 - *Can we perform this transaction on behalf of this client better than any other firm?*
 - *Is this a transaction that should be done?*
 - *If successful, will we be proud of the result?*
 -
- Jim Clifton, Gallop CEO, on the importance of building your own personal brand*
Be honest
Do what you say you are going to do—even the little things

- **No. 1 Maintain personal work quality standards higher than anyone could reasonably require of you.**

- *I have never known an investment banker who consistently did this who was not successful*

- **Bonus Tip -- Give Back**

- *The true measure of your worth is not what you accumulate but what you give back to others*
- *It is important to give both time and \$\$\$\$*
 - ***If you do both, you will be the biggest beneficiary***

“Winning a championship is so temporary. It's fantastic for the moment, don't get me wrong. You climb the hill. There's no greater feeling than standing there on the podium. But eventually, there's another hill to climb....

Giving is solid. It lasts a lifetime. You become linked with others. It's something that lasts forever. To be blessed enough to have something to give is unreal.”

David Robinson USNA '87 & NBA Hall of Fame, quoted in *Hoop*,
 March 2000