INVESTMENT BANKING
Fisher College of Business
Undergraduate Career Path
What is Investment Banking?

- Investment banking is the business of raising capital for companies and advising them on financing and merger alternatives.

- Investment banks may be categorized as boutique, middle-market, or bulge bracket depending on the size of the firm or the deal size they target.

- Examples:
  - Boutique: Evercore, Moelis, Lazard
  - Middle-market: William Blair, Houlihan Lokey, KeyBanc
  - Bulge: Goldman Sachs, JPMorgan, Citi Group

Vault Career Guide to Investment Banking
Investment Banking Division

**Investment Banking Department (IBD)**

**Mergers & Acquisitions**: Assisting in negotiating & structuring of mergers between companies including purchase price & strategic implications
- **Buy Side Advisory**: Helping a client buy a company
- **Sell Side Advisory**: Helping a client sell their company

**Capital Markets**: originate, structure and execute public & private placement of equities (Equity Capital Markets) & debt (Debt Capital Markets)

**Industry Groups**: you work within one industry but on many different types of deals (equity, debt, M&A). Examples of industries: Healthcare, Industrials, Technology, Financial Institutions, Natural Resources, Real Estate

**Sales & Trading**: Facilitate the buying and selling of stocks, bonds, and other securities through the relationships of other institutional investors

**Equity Research**: Closely analyze small groups of stocks in order to provide insightful investment ideas and recommendations to the firm's salesforce, traders, and directly to institutional investors. Communicate recommendations through research reports on covered companies with Buy, Sell, & Hold ratings
# Typical Divisions by Category

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Investment Bankers (usually) …

- Have a deep understanding of finance and accounting
- Are detail-oriented
- Possess strong Excel and PowerPoint skills
- Maintain the ability to balance multiple projects and priorities at once
- Are hard-working and have the capability to work long hours
- Exhibit strong communication and client skills
Importance of Networking

Due to the competitive nature of this field, internships / full-time opportunities are limited for undergraduate students.

Investment Bank's recruiting processes are very unique and rely heavily on networking beforehand. To get an upper hand, it's beneficial to start to begin to build your own network by reaching out to Ohio State alumni in the field or other personal connections. Networking will give students a better understanding of the industry, responsibilities of an analyst, and a typical work schedule that you can expect.

LinkedIn and cold-emailing can serve as good resources and methods for finding relevant professionals to reach out for potential phone calls and meetings.
Sample Internship Opportunities

Internship opportunities in the field of investment banking are very limited. Most firms hire candidates with past internship experience and a record of success in a particular academic field of study or industry. Many banks target Ivy League schools for potential candidates so it's important to have unique experiences that help you stand out.

Investment banking summer analysts typically are placed within an industry or product group and work on various projects over the summer including pitches, equity offerings, debt issuances, or live M&A transactions.
Sample Employers & Locations

Companies:
Goldman Sachs
KeyBanc
William Blair
Citi Group
JPMorgan
Deutsche Bank
UBS
Morgan Stanley

Locations:
New York City
Chicago
Los Angeles
San Francisco
Boston
Cleveland
After building your network and speaking to multiple bankers at a specific firm, candidates may be offered the opportunity to participate in a first round interview. This is typically conducted over the phone and will consist of behavioral and basic technical questions.

Depending on the size of the bank, firms may elect to hold other recruiting events to learn more about the candidates. This may include additional phone screens, an invitation to dinner with recruiters and analysts, or a meeting at the bank.

Typically, the entire interview process culminates into a final round, known as a Super Day. Banks will invite candidates from all over the country to their office for multiple interviews. These formal interviews will consist of a mix of more in-depth behavioral questions in addition to advanced technical questions.
Sample Interview Questions

Opening/Industry/Fit:
1. Tell me about yourself.
2. Why did you choose Ohio State?
3. Why did you choose your major?
4. Why do you want to pursue investment banking?
5. Why are you interested in XYZ Bank?

Behavioral:
1. Of your past experiences, what will help you as an analyst?
2. Tell me about a time you failed.
3. Tell me about a time you worked on a team that lacked direction.

Technical:
1. What are the main financial statements and how are they connected?
2. How does depreciation expense affect all three statements?
3. What are the three main valuation methodologies?
4. Walk me through a discounted cash flow (DCF) model.
5. Pitch me a stock.
Investment Banking Salaries

Fisher College of Business
Average Consulting Salaries (2016-2017)

Full-time  $81,250/year
Intern      $4,793/month
The Job Outlook for Investment Banking

• Employment of consultants is projected to grow 10% from 2014 to 2024, faster than the average for all occupations.

• Demand for investment banking advisory services and commodities trading are likely to create strong employment growth.

• See the Occupational Outlook Handbook for additional information: http://www.bls.gov/OCO/
Buckeye Capital Investors (BCI) is an organization for those with a keen interest in a career in finance. BCI takes in students with a demonstrated interest in the financial markets and then educates new members on technical and fundamental analysis, valuation, and portfolio management. The organization is modeled after a typical investment bank, with a hierarchy and division along industry groups. BCI holds weekly stock pitches and sponsors students in attending national and regional competitions. BCI also maintains a $10 million paper portfolio in competition with the school-sponsored SIM program and endowment fund.
Academic Programs

Fisher Futures

A program designed to help high-ability finance/accounting majors prepare for an internship search in investment banking. The program begins 2nd semester sophomore year and continues through junior year.