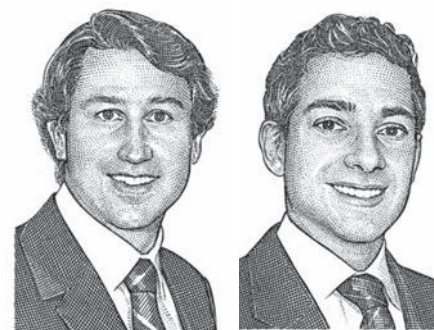


INVESTMENT BANKING: INTERVIEW WITH CO-AUTHORS JOSHUA ROSENBAUM AND JOSHUA PEARL



The Princeton Financier sits down with the authors of the best-selling valuation book *Investment Banking: Valuation, Leveraged Buyouts, and Mergers & Acquisitions* for an exclusive interview to hear insights about their book and recruiting on Wall Street...

Recruiting on Wall Street has always been very competitive, even more so during the past several years. What advice would you give to a college junior/senior interviewing for Wall Street jobs in banking?

First and foremost your resume needs to be in pristine shape. Candidates must have strong grades, leadership experience and other indicators of high achievement. Having a strong resume is needed to at least get invited to interview. We have recruited and conducted interviews on-campus for many years and what truly distinguishes students in interviews is knowledge of financial markets and technical skills. Interviewers are always impressed if a student knows the complexities of valuing and modeling companies and is able to articulate them in a concise manner. Technical questions are extremely common and mastery of them is usually what separates the tens of thousands of students who interview on Wall Street.

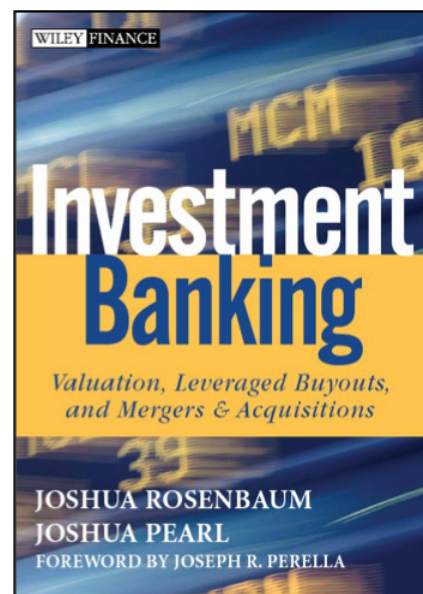
Could you describe a typical day in investment banking?

There is no typical day in investment banking. It could include anything from creating pitchbooks to detailed modeling

to accompanying a management team on a roadshow. An analyst working in a coverage group (financial institutions, industrials, media, etc.) has the opportunity to work on various products, including M&A, LBOs, and debt / equity offerings. Day to day responsibilities can change dramatically depending on client needs or deal process deadlines. An analyst working in a product group (leveraged finance, equity capital markets, M&A etc.) has the opportunity to work across various coverage groups. As a result, these analysts need to gain a mastery of different sectors quickly. As anyone seriously considering entering investment banking knows, the hours are very demanding. This is definitely not a myth.

Why do you believe an investment banking job is desirable for those who have just graduated from college?

If you are interested in a career in finance, we would argue that an investment banking analyst position is the best career choice you can make for your first two years out of college. After only a few months on the job, an analyst is given tremendous responsibility and those responsibilities continue to increase based on merit. The skill set developed in an investment banking program is extremely valuable and include: accounting, advanced financial modeling and valuation, as well as communication and presentations skills. In addition, an analyst position can be the gateway to alternative career paths, including private equity and hedge fund jobs.



Any advice on selecting one bank over another?

At the analyst level, whether you select a bulge bracket bank or boutique, the skill set learned is nearly the same. The key differentiator should be the people – in our view, it is important to select a bank where mentoring is strongly encouraged. During the recruiting process, you will have the opportunity to meet numerous firms and bankers. This is the time to network and develop initial relationships. After meeting several bankers from the same firm, you will begin to see patterns in attitudes and behaviors that should be indicative of their firm's culture. In addition, speak with friends and alumni at the various banks as they can provide you with a more comprehensive overview of the firm and its culture.

What inspired or motivated you to write a book about investment banking? How is Investment Banking different from other finance books on the market?

We both went through the recruiting process at our respective schools, and even though we were fortunate enough to land jobs, we realized that a lot of the knowledge required for the interviewing process (and eventually on the job) was not easily accessible in books or even in the classroom. All of the finance books we read for interviewing and preparing for our full-time Wall Street positions were written by professors or former finance practitioners and centered on theory. Although these books gave us a solid foundation in finance, they lacked a practical approach, and thus were far less applicable to how finance is actually practiced in investment banks. From our own classroom experience, we witnessed firsthand the disconnect between theory and practice. Universities and other

finance books provide a great foundation but lack the real-world applications that are needed to understand the highly specialized world of investment banking. The need for a book on the practical aspects of banking written by current bankers motivated us to undertake the herculean effort to write our book. Throughout the process, we consulted with top bankers, private equity investors, hedge fund professionals, corporate lawyers, accountants, and business school professors. In short, Investment Banking is the book we wish we had when we were interviewing and starting on Wall Street.

The book you wrote is approaching its three year anniversary. How has the feedback been since its publication?

The feedback we have received has been incredible. Our book is currently being used by numerous bulge bracket investment banks, private equity firms, hedge funds, management consulting

firms, corporate law firms, and over 100 undergraduate and MBA programs around the world. In addition, we were featured in the Wall Street Journal, and several Wall Street legends have recommended our book, including Joseph Perella, David Rubenstein, Thomas H. Lee, and Josh Harris. Professor Josh Lerner from Harvard Business School and Professor Roger Ibbotson from Yale School of Management have also praised the book. Since its publication in May 2009, the book has been, and continues to be, the best-selling valuation book in the world.

Do you plan to continue writing other books on finance?

We certainly hope so! The acclaim and popularity of Investment Banking has exceeded our expectations and we look forward to potentially writing future editions or authoring different titles in the future. **PF**

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