

Common mistakes in investment banking interviews

Investment Banking › Interview Preparation



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Investment banking interviews are notoriously difficult. Often candidates are very well-prepared, especially for the technical questions. However, many of them tend to overlook some simple aspect that can prove fatal. Based on our experience of interviewing candidates, here are the most common mistakes we see in investment banking interviews.

1. The overconfident candidate - typically Ivy League/Oxbridge, with an impressive CV, several good internships under his/her belt, and strong technical skills. Confidence is a great asset, but investment bankers are looking for *humble* confidence. Having a large grin on your face, being too relaxed (or overenthusiastic) is definitely not the way to go at interviews; any of these signals equal a huge red flag to the interviewer(s), even if you think that you can answer everything easily. Stay alert and focused; sit up in your chair and do ask questions about investment banking and the firm at the end of the interview, to show that you are interested.
2. Weak handshakes. Sitting before your interviewer. Not saying hello. First impressions do matter a lot.
3. Rambling. You need to be able to walk the interviewer through your resume in one minute or even less. Many candidates tend to talk too much under stress and describe their life since kindergarden. Be concise, speak short sentences, and be logical. Remember, you are telling a story.
4. Interrupting. When the interviewer is talking, listen. Don't interrupt saying, "Oh yes, that reminds me of the assignment I was working on..." or any other anecdote you want to share. You can do that later if you think it's relevant.
5. Overexcitement/ stress. Don't try to fill silences if your interviewer is looking through your CV or thinking about questions to ask you. There is nothing more annoying than a candidate trying to talk while I am going through his/her CV.
6. Think before you talk! If asked a question, take a couple of seconds to think about your answer instead of rushing an answer even before the interviewer has finished his question. Taking a few seconds to pause and think makes you look more mature and intelligent, so take your time and slow down.
7. Jargon. Don't try to throw jargon at the interviewer to show off your knowledge. Know about valuation (DCF, comparables, WACC, Free Cash Flow) and you should be fine. Also, if you are

trying to bring in complicated concepts, you should obviously understand those in-depth, so why make the interview harder for yourself?

8. If you are asked a brainteaser or a technical question, voice your thinking out loud. Not only will this show the interviewer how you think (which is the most important aspect they want to evaluate), but also if you get stuck or make a mistake, the interviewer will be able to guide you. Also, if you don't know the answer, do say so! but don't give up. Voice your thinking and at least attempt to answer.

9. Not asking questions at the end of the interview. Obviously, you should try to ask one or two questions, but no more.

10. Not having a good story for "Why investment banking?"

11. Clichés. Don't tell me that you are a hardworking team player with great analytical skills and a love for finance. Prove it through your experience and achievements!

12. Boring / no differentiator. After a long day of interviews, everybody starts to look the same to the investment banker. Think about something that you can bring up that is interesting: international experiences, interesting hobby, unusual languages, extracurricular activity, why you became interested in investment banking, etc. Word of caution: don't make things up! You should focus on the more interesting parts, but don't completely invent something.

13. Exaggerating responsibilities. Do not grossly exaggerate your responsibilities or any other skills (especially language skills) because you will be found out. Investment bankers are experts at dealing and detecting bulls**t, so tread carefully.

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