

Decoding Finance Careers

Investment Banking, Private Equity, Venture Capital, Hedge Funds, Asset Management, Sales & Trading – and More

Why Finance Feels Like Alphabet Soup

The Confusion Problem

Finance is full of acronyms and overlapping responsibilities that make it difficult to understand what each role actually does or how they connect.

Our Goal Today

Clarify what each role actually does, explain differences in lifestyle and skills required, and demystify recruiting timelines.

Your Journey

We're here to help you explore early and intentionally – don't choose a job title, choose work that fits you.

How the Finance Ecosystem Fits Together



Investment Banking (IB)

Advisory work focused on mergers & acquisitions, debt and equity capital raises.



Day-to-Day

- Build financial models (DCF, LBO, merger models)
- Create pitch decks and presentations for clients
- Analyze companies for M&A or capital raises
- Work on live deals
- Coordinate between stakeholders



Skills Rewarded

- Extreme attention to detail
- Excel + PowerPoint mastery
- Stamina (long hours)
- Professional communication
- Ability to execute under pressure

❏ High intensity, steep learning curve, strong optionality after 2 years

Private Equity (PE)

Buying Companies, Building Value, Selling for Profit



Day-to-Day

- Evaluate companies to acquire
- Build LBO models
- Work with management to improve portfolio companies
- Prepare investment memos



Skills Rewarded

- Strong financial modeling
- Commercial judgment (is this business actually good?)
- Long-term strategic thinking

📌 Long-term investing, small teams, high accountability

Venture Capital (VC)

Investing in Tomorrow's Companies



Day-to-Day

- Evaluate startups (market size, product, team)
- Financial modeling
- Research industries and trends
- Help portfolio companies with hiring, strategy, intros



Skills Rewarded

- Understanding of technology + markets
- Pattern recognition
- Conviction under uncertainty

❏ High uncertainty, relationship-driven, and thesis-based

Hedge Funds (HF)

Managing Money for Clients



Day-to-Day

- Research companies or markets
- Build and update financial models
- Monitor positions
- Generate investment ideas
- Assess risk



Skills Rewarded

- Analytical thinking
- Independent judgment
- Strong financial modeling
- Speed + accuracy
- Risk awareness

📄 Fast feedback, high pressure, and strong autonomy

Asset Management (AM)

Managing Money for Clients



Day-to-Day

- Help manage portfolios for clients
- Evaluate investment options and managers
- Monitor portfolio performance and risk exposure
- Prepare materials for client reviews
- Adjust allocations based on market conditions and client goals



Skills Rewarded

- Capital allocation judgment
- Risk management discipline
- Macro awareness
- Clear communication with clients

📌 Focus on portfolio construction, discipline, and balancing return with responsibility

Sales & Trading (S&T)

Facilitating Trades in Financial Markets



Day-to-Day

- Monitor markets in real time
- Execute trades for clients
- Price securities
- Manage risk on trading books
- Communicate constantly with clients



Skills Rewarded

- Fast decision-making
- Market intuition
- Quantitative comfort
- Calm under pressure
- Strong communication + relationship skills

📄 Markets move fast, decisions are immediate, and performance is measured daily

Making Your Choice

There Is No "Best" Path — Only the Right Fit for You

Each finance role offers unique tradeoffs across compensation, lifestyle, intellectual challenge, and career mobility.

Money vs Lifestyle

High compensation often comes with intense hours

Control vs Impact

Strategic roles offer more ownership but different risk profiles

Short-Term vs Long-Term

Some careers are stepping stones while others are endgames

Recruiting Realities

Investment Banking

Extremely early recruiting (sophomore spring). Technical interviews and networking component.

PE/VC

Often post-IB with highly competitive processes requiring relevant experience.

Asset Management

Later recruiting cycles with focus on investment portfolio management.

- ❏ **Preparing Now:** Technical prep (accounting, valuation), behavioral preparation, strategic networking, and informational interviews are great starting points.

Key Takeaway: Don't choose a job title — choose the type of work and lifestyle that fits you.