Contents

Introduction............................................................................................................................................................. 3
Investment Banking Sample Interview Questions........................................................................................................ 4
  General “Why Investment Banking?” Questions ......................................................................................................... 4
  Personality & Experiences Interview Questions ......................................................................................................... 4
  Finance Industry Interview Questions ....................................................................................................................... 5
  Accounting-based Interview Questions ...................................................................................................................... 6
  Sample Questions to Ask the Interviewer: .................................................................................................................. 6
Questions from Business Insider ....................................................................................................................................... 7
Additional Questions from Glassdoor.com .................................................................................................................... 7
Sample Behavioral Interview Questions – from Quintessential Careers.com ............................................................... 8
References/Resources ..................................................................................................................................................... 9
Investment Banking Sample Interview Questions

Introduction
These sample questions were gathered from some key resources including websites and e-books. Below is a list of the resources used. Included in many of the websites were sample answers and advice on how to approach the questions. Below are links and information about each resource:

Street of Walls - Info from “About Us” section of the site: Our mission is to help you get a job on Wall Street. This site is not just another job board. We offer a free finance industry-specific evaluation which allows you to prove your skills to employers. Regardless of your background, you can prove your abilities to employers who search the results for top talent. If your skills match what an employer is looking for, you will get called for an interview.


Wall Street Prep - Info from “About Us” section of the site: Wall Street Prep was established by investment bankers to enhance the competitive profile of students who seek a career in the financial services industry. Our self-study courses and live seminars are used by thousands of undergraduates, MBAs, investment bankers, and other finance professionals. Each program is designed to deliver the financial skills that will give you a competitive edge as you pursue your career. Our Client List includes top investment banks, private equity firms, investment funds and business schools.

http://www.wallstreetprep.com/blog/finance-interview-questions-and-answers/

http://www.wallstreetprep.com/blog/top-10-investment-banking-interview-questions/

http://www.wallstreetprep.com knowledge/investment-banking-interview/

Breaking into Wall Street – a site offering training courses and services and guidebooks for purchase including:

The 400 Investment Banking Interview Questions & Answers You Need to Know, Breaking into Wall Street, Mergers & inquisitions: Discover How to Get into Investment Banking (www.breakingintowallstreet.com www.mergersandinquisitions.com sign-up for free subscription required)

Wall Street Oasis – Info from “About Us” section of the site: Wall Street Oasis is one of the largest and most entertaining finance communities online. With over 1,000,000 posts to date and over 4 million page views a month, you can be sure that your questions will get answered in our finance forums by experienced professionals. WSO also provides several services to help as you progress through your business career.

Investment Banking Sample Interview Questions

General “Why Investment Banking?” Questions
1. What is investment banking?
2. What exactly do investment bankers do?
3. Why do you want to be an investment banker?
4. What qualities do you think would make you a successful investment banker?
5. What do you think an analyst does on a typical day?

(IMPORTANT RELATED NOTE: Make sure you know about the culture and philosophy of the bank you’re interviewing at! You want to express that you understand the firm/group’s view on this idea, and that with them you’ll be “working for the smartest people in banking, who will challenge you to learn more.”)

6. Why do you want to work for this bulge bracket bank?
7. Why do you want to work for a middle market bank?
8. Why do you want to work for this company?
9. How was your internship experience at (company name)?
10. Tell me about a deal you’ve worked on.
11. Why do you believe you would be a good investment banker?
12. What is one concern you have about investment banking?
13. What do you think an analyst does on a typical day?
14. Would you prefer a product or industry group? Why?
15. Why should I pick you instead of someone from Harvard?
16. What are 4-5 skills that you think are essential for banking?
17. Where else are you interviewing? Are you interviewing outside of banking?
18. If you had the opportunity to jump early to a private equity or hedge fund like some of the other analysts/associates here, would you do so?
19. If we gave you an offer right now would you accept?
20. What other investment banks do you like the most?

Personality & Experiences Interview Questions
(You will get asked a variation of questions 1-3)

1. Walk me through your resume.
2. Walk me through your resume and talk through why you joined each group or held each position and how you contributed value?
3. Tell me about yourself?
4. Tell me about one of your greatest strength and an example of how you have utilized this strength in solving a problem?
5. Why did you attend Colorado State University?
6. Why did you major in (insert your major/concentration)?
7. What are your 3 greatest strengths?
8. What are your 3 greatest weaknesses?
9. Give an example in which you encountered a difficult situation while working in a group.
Personality & Experiences Interview Questions (continued)

10. Give an example of a time you had to work hard, and how you got through it.
11. What kind of feedback did you receive from your previous internship?
12. Did you receive an offer from your previous internship?
13. Give an example of a time when you were very driven/committed.
14. Give an example of when you failed or made a mistake.
15. Where do you see yourself professionally in five years?
16. Are you interviewing outside of investment banking?
17. What motivates you?
18. What is your greatest accomplishment?
19. What was your favorite class in college?
20. Why should we hire you?
21. Why are you applying to this firm?
22. Give me an example of a time you worked as part of a team.
23. What is the biggest risk you have taken in your life?
24. What motivates you to put forth your best effort? What type of work environment brings out your best effort?
25. What do you see yourself contributing to our organization, both in the short term and the long term?
26. What do you do for fun?
27. What is your favorite book?
28. Tell me something about yourself that is not on your resume.
29. Tell me three reasons we should hire you.
30. If I made you an offer right now, would you accept?

Finance Industry Interview Questions

1. What’s the difference between investment banking and commercial banking?
2. What is the Glass-Steagall act?
3. What is a fairness option?
4. What are the different arms of an investment bank?
5. How do you value a company?
6. What is the appropriate discount rate to use in an unlevered DCF analysis?
7. What is typically higher – the cost of debt of the cost of equity?
8. How do you calculate the cost of equity?
9. How would you calculate beta for a company?
10. How do you calculate unlevered free cash flows for DCF analysis?
11. What is the appropriate numerator for a revenue multiple?
12. How do you handle grunt work?
13. Describe a situation in which you have motivated yourself to complete an assignment or task you didn’t want to do.
14. If you were running this firm, in what direction would you take it?
15. Can ethical requirements in a firm be too high?
16. Let’s say you had $10 million to invest in anything, what would you do with it?
Accounting-based Interview Questions
1. Why do capital expenditures increase assets (PP&E), while other cash outflows, like paying salary, taxes, etc., do not create any asset, and instead instantly create an expense on the income statement that reduces equity via retained earnings?
2. Walk me through a cash flow statement.
3. What is working capital?
4. Is it possible for a company to show positive cash flows but be in grave trouble?
5. How is it possible for a company to show positive net income but go bankrupt?
6. I buy a piece of equipment, walk me through the impact on the 3 financial statements.
7. Why are increases in accounts receivable a cash reduction on the cash flow statement?
8. What is goodwill?
9. How is the income statement linked to the balance sheet?
10. What is a deferred tax liability and why might one be created?
11. What is a deferred tax asset and why might one be created?

Sample Questions to Ask the Interviewer:
1. How long have you been with the bank and how has your experience been?
2. What do you like/dislike most about working with this bank?
3. How do you compare working here with other banks at which you have worked?
4. What kind of responsibility does the typical Analyst/Associate receive?
5. What differentiates a good Analyst from a great Analyst?
6. What’s your favorite deal that you’ve worked on at the bank?
7. Can you tell me about your Associate training program?
8. How do Analysts/Associates get staffed at your bank?
9. On what types of deals are you currently working?
10. How is the deal flow at the bank? In your group?
Questions from Business Insider

Business Insider published two blog posts in 2012 containing samples of Technical Questions and Tricky Questions. Below are a few of the questions in each article. For the full list – including how to answer the questions and who and when these questions were asked, the links to the article are below:

9 Super Technical Wall Street Interview Questions

11 Incredibly Tricky Wall Street Interview Questions

Super Technical Wall Street Interview Questions

1. How does a comparable company analysis work?
2. Walk me through a discounted cash flow model
3. Do you understand precedent transaction analysis?
4. What makes a good LBO candidate?

11 Incredibly Tricky Wall Street Interview Questions

1. What's your outlook for US cucumber prices over the course of this year?
2. Do you view this as your dream career?
3. If in two years, you receive an offer for more money on the buy-side, will you turn it down because this is your dream career?
4. If you were shrunk to the size of a pencil and put in a blender, how would you get out?

Additional Questions from Glassdoor.com

Questions from Glassdoor.com – Investment Banking Analyst (various companies)

1. Why do you add minority interest to enterprise value
2. If someone offered you $1000 today or paid out at $100 a month over the next ten months, which would you take?
3. What is 23 times 40?
4. What if FCF’s are negative in your terminal year?
5. What is the square root of 100,000?
6. What is the most important financial statement?
7. What is valuation?
8. How do you get equity value from enterprise value?
Sample Behavioral Interview Questions – from Quintessential Careers.com
http://www.quintcareers.com/sample_behavioral.html

1. Describe a situation in which you were able to use persuasion to successfully convince someone to see things your way.
2. Tell me about a time when you had to use your presentation skills to influence someone's opinion.
3. Give me a specific example of a time when you had to conform to a policy with which you did not agree.
4. Tell me about a time when you had to go above and beyond the call of duty in order to get a job done.
5. Tell me about a time when you had too many things to do and you were required to prioritize your tasks.
6. Give me an example of a time when you had to make a split second decision.
7. What is your typical way of dealing with conflict? Give me an example.
8. Tell me about a time you were able to successfully deal with another person even when that individual may not have personally liked you (or vice versa).
9. Tell me about a difficult decision you've made in the last year.
10. Give me an example of a time when something you tried to accomplish and failed.
11. Give me an example of when you showed initiative and took the lead.
12. Give me an example of a time when you motivated others.
13. Tell me about a time when you missed an obvious solution to a problem.
14. Describe a time when you anticipated potential problems and developed preventive measures.
15. Tell me about a time when you were forced to make an unpopular decision.
References/Resources


http://www.wallstreetprep.com/blog/finance-interview-questions-and-answers/

http://www.wallstreetprep.com/blog/top-10-investment-banking-interview-questions/

http://www.wallstreetprep.com/knowledge/investment-banking-interview/

http://www.quintcareers.com/sample_behavioral.html

http://www.businessinsider.com/technical-questions-you-need-to-know-for-your-i-banking-interview-2012-6?op=1

http://www.businessinsider.com/the-hardest-wall-street-interview-questions-you-will-ever-not-be-able-to-answer-2012-6#


The 400 Investment Banking Interview Questions & Answers You Need to Know, Breaking into Wall Street, Mergers & inquisitions: Discover How to Get into Investment Banking (www.breakingintowallstreet.com www.mergersandinquisitions.com )