<u>**Research Assessment #1**</u>

Date: September 4, 2020

Subject: Hedge Fund Analysis Career Outlook

MLA Citation:

DeChesare, Brian. "The Hedge Fund Analyst Job: The Complete Guide." *Mergers &*

Inquisitions, 22 Feb. 2020, www.mergersandinquisitions.com/hedge-fund-analyst/.

Assessment:

Before taking ISM I knew that I wanted to go into the field of finance, more specifically Hedge Fund Analysis. However I did not know much about the topic other than what I had heard from people who had worked at Hedge Fund Management companies. Going into ISM, I wanted to learn more about the profession as a whole. The article entitled "The Hedge Fund Analyst Job: The Complete Guide" has given me much insight into the specifics of the career, including education, terminology, salary, career outlook, and more.

The paramount part of the article is the general job description and the skills necessary to succeed. I was pleasantly surprised to learn that being a Hedge Fund Analyst is merely the first step in a rewarding career path, and am excited that I will be able to grow throughout my career. The parts of the job that intrigued me the most were monitoring trends in the industry as well as in the company, and building financial models to support my ideas. These parts in particular peaked my interest because I love working with numbers and I want to be able to understand what is happening in the business world. One part of the job description that surprised me was how much I would be able to work with customers, management, and higher ups at the company.

While I do enjoy being able to keep to myself and diligently complete my work, I also love working with other people. The ability to make lasting impressions on customers and higher ups is a tremendous deal to me, and it excites me that I will be able to work with other talented and passionate people. Moving forward I want to conduct more research and learn more about what a typical day looks like for a Hedge Fund analyst as well as how much time is spent working alone versus working with others.

I have learned that in terms of education and training, Hedge Fund Analysis operates in a similar fashion to most other professions. The education required to become a Hedge Fund Analyst is at the minimum a four year bachelor's degree in business, finance, accounting, or economics. I also found that it is greatly beneficial to have some sort of work experience in Investment Banking or other related fields. This is great for me because I want to major in finance and law when I go to college and will most likely have some sort of internship during my schooling. I hope to gain the necessary experience and education in college to easily transition into a full time job as a Hedge Fund Analyst. I also found that other programs such as MBA and IB can be indirectly helpful in acquiring a Hedge Fund Analysis job. The reason why they are more indirectly helpful is because these programs are more tailored to jobs that are related to Hedge Fund Management and would give you experience that would help you get a job at a hedge fund management company. This information is extremely important to me moving forward because I will use it to help determine future programs I will join and allow me to embark on the best path towards my dream career. Currently I have/am taking all the highest level of math courses my high school has to offer, so I am already on the path to success. Because there is so much flexibility in the background of people who work at hedge funds, I plan

to ask potential mentors in my interviews about their college experience and what they majored in and if they took any programs that specifically benefited them in their career.

I knew that finance careers generally made a lot of money from past research. However, I was greatly surprised to find how much Hedge Fund Analysts make. Starting salaries typically range from $100,000 to $150,000, with more experienced analysts making $200,000 to $600,000. This is well above what is normal for both junior and senior positions in corporations. It is important to note that the salary of analysts has so much variability because it is dependent on a variety of factors such as performance, hedge fund size, and the type of company you're working at. For me the high salary is merely a bonus on top of being able to work a job that is compelling and exciting to me. I know that I will perform well because I am passionate about what I do, and not because of the money incentive. I was greatly interested to find that automation has made a profound impact on the profession. This could lead to the future of Hedge Fund Analysis to be shaky, especially if automated processes take the role of analysts. However, I like to imagine that if you have a background in both finance and computer science, you could greatly impact and change the profession as a whole by integrating automation and investment. Learning of this has made me greatly consider majoring in computer science as well as finance or even minoring in computer science. With these backgrounds in specific, I would become an essential member of any hedge fund and would have a great amount of job stability. I want to learn more about how much of an impact automation has made on the career and I plan to conduct further research about this topic in specific.

As I continue to search for a mentor, I plan to find someone who can tell me what path I should take in order to have the greatest chance of getting a job at a hedge fund. The knowledge

gained from my mentor will be extremely important moving forward and will help shape my plans for college and beyond. I know my topic of study is highly complex and that even though I have already learned so much about it I have just begun to scratch the surface. I am looking forward to gaining more knowledge about my topic and valuable experience with the help of an experienced professional willing to mentor me.