

# CAREER STRATEGIES

## FOR A DOWNTURN

**For those seeking new employment in the current environment, a strategic, proactive approach can improve the odds of success**

BY RHEA WESSEL

**A** large number of finance professionals now live with the daily threat that they may face a sudden layoff or a major change in job status. In an instant, professionals may find themselves searching for a job during a downturn.

But before job seekers explore the possibilities, they should wait until the sting of the dismissal has worn off and they have begun to accept the reality of the situation, experts say. In the first minutes and hours after receiving a termination notice, people go through various emotional stages, including anger, denial, disbelief, and blaming, to name a few. In such a state of mind, it is *not* the time to begin contacting the people in your network about job possibilities or posting snide comments on social-networking websites.

“You could have been at the company for 10 years, been a great player and great performer—what they’ll remember is how you exit,” says Lee Miller, a career coach and former head of human resources at a Fortune 1000 company. Job seekers need to leave gracefully because people are watching—people who may become their next colleagues or even their next boss.

Only after a person has accepted the situation will he or she be ready to make the right impression on the right person at the right company to land a new job.

Fortunately, whether you’ve already lost a position or are merely concerned about job prospects in the current tight labor market, a strategic, proactive approach can improve the odds of success.

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Lee Miller

## STRATEGY 1

### **Plan ahead, face the facts, and brace for change.**

After a layoff, the risk is embarking on a job search too soon or under the wrong emotional conditions. Timing and first impressions can have a grave impact on a job search. That's why executive coaches recommend that people plan ahead for the possibility of a job search—even when a job change doesn't seem to be an acute possibility. They also should avoid denial about the state of the job market and brace for possible changes to personal and professional life.

The key for people working in sectors hit hard by the financial crisis is to hone their ability to manage change, according to Chloe Clark, an executive coach based in New York City who collaborates the CFA Institute Career Centre. "Managing change is one of life's great learning experiences that all people try earnestly to avoid," she says. "We become very attached to the familiar, and sometimes this attachment can interfere with our ability to move on to something more positive."

The first step is to accept the inevitability of change. To develop change-management skills, people can read books, take classes, get a good mentor, or identify someone they



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admire who has dealt successfully with change and emulate that person's behavior. The most difficult part, however, can be to cultivate patience.

One way to deal with the emotions of a job search and acquire patience is to focus on family and friends, says Ron Wilkowski. That's what he did during the three months it took him to transition to Bank of the West from Washington Mutual after its collapse in September 2008. "It's a good time to give your loved ones a hug and play catch with your kids," says Wilkowski, now a vice president and senior relationship manager based in Seattle.

James Harman, CFA, lost his position in late 2008 after an organizational restructuring by his employer, a fund manager in Melbourne, Australia. "While I'm primarily focused on finding a job," he says, "I am also using this time as an opportunity to do other things outside of work, such as fitness, golf, cooking, reading. I have also found support from people who are willing to meet with me and provide advice, several of whom have been in the same situation."

A backup plan can also come in handy. Christian Faitz, CFA, head of chemicals research at Sal. Oppenheim based in Frankfurt, believes he has a solid position with a strong company that is actually winning market share from other banks. For now, he believes he will not be affected by the uncertain prospects in the banking industry. If the scenario changes, however, his backup plan is to move back to the United States with his wife, a U.S. citizen. She would work as a nurse, and he would start looking for a job in either the financial or the chemical industry.

## STRATEGY 2

### **Consider a lateral move and prepare for a smaller pay package.**

Tony Dickel, management recruiter and CEO of the MRI China Group in Hong Kong, says the skills possessed by most CFA charterholders translate well in the marketplace and give them the opportunity to target jobs outside the traditional areas of investment analysis.

"If you're a grand-thinking, strategically oriented, senior finance professional, you're in a good place," he says. Those with special skills in forensics, compliance, or risk management, for example, are generally in high demand.

People who have demonstrated strong analytical skills during their careers, particularly those with an inquiring personality, are good candidates for translating their skills to different sectors. For accomplished investment professionals, such a transition may mean work in forensic accounting or debt recovery, areas that are receiving a boost as the number of bankruptcies and insolvencies rise.



Tony Dickel

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Dickel notes that many companies are willing to invest in training for the right new hires—especially people who are able to ask hard questions, stand on their own two feet, and communicate well without appearing to be “people pleasers.” Professionals trying to move into similar but unknown areas should do ample advance research about their target jobs and employers and should tailor résumés and cover letters appropriately.

“You’ve got to use the language of the industry,” says Dickel.

Given the new supply-and-demand dynamics for the job market and companies’ eagerness to reprice the labor component of their expenses, salaries and bonuses have declined and packages that include higher-than-usual incentive pay are on the rise, according to some experts.

Cornelia Kiley, who co-leads the asset and wealth management practice in the Americas for Russell Reynolds Associates, an executive search firm, says anecdotal evidence from her company shows that bonuses in 2008 in the United States were down 20 percent for the highest-level executives and as much as 60 percent or more for lower-level executives. For employees who drive revenue, bonuses were flat in 2008 compared with 2007.

“The quip that was going around last year was, ‘Flat is the new up,’” she says, adding, “If you were flat in 2008, you considered yourself lucky.”

The average for 2009 will surely be lower, given all the public anger focused on bonuses paid to AIG employees and continued downward pressure on salaries, says Kiley.

Even the expectations of entry-level job seekers have been downsized. Dean Van Tassell, set to graduate this year with an MBA (with a specialization in investment management) from Pace University in New York, had planned to trade fixed-income securities or commodities, but he is prepared to take a different job in finance before he goes into trading. “Now, you notice that there are a lot fewer jobs at the career center related to investment banking and a lot more jobs in retail,” he says. “You have to take smaller steps to get to your goal. A lot of people are considering retail brokerage, which normally they wouldn’t with an MBA.” Moreover, he adds, “You don’t hear much talk about salary. I don’t think anybody really cares. They’re just happy to get a job.”



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## LAYOFF ETIQUETTE

**T**he news is filled with reports of job cuts. Everyone who hasn’t been affected directly at least knows someone who has. But few are prepared for a layoff when it comes.

Adding insult to injury, an employer may not even allow employees to return to their desk to gather their personal belongings before escorting them to the door. This surprise factor—even if the layoff shouldn’t have been a surprise—is very often the element that pushes people to behave badly.

For advice on how to handle a layoff, *CFA Magazine* spoke with New York–based executive coach Chloe Clark, who collaborates with the CFA Institute Career Centre.

### What is the first thing a person should do if he or she is laid off?

People facing a layoff should step back before acting. Workers must cool down

and vent their anger, preferably to family and friends who are not associated with the company. Bad-mouthing a company is the last thing a former employee should do. For those employees who have served long years in a company, the loss of a job can also lead to the loss of identity and may best be treated with something akin to grief counseling.

### How do most people react to a layoff?

One universal reaction is to say that they understand why the company did what it did; it’s just the way the company did it that was wrong. Individuals vacillate between professing an understanding of the situation, being angry with the company because of how it handled the situation, and disbelief that a layoff really happened.

Remember that attitude follows behavior: If one behaves in a positive and confident manner, regardless of how one may be feeling, sooner or later the mind will catch up and an attitude change will occur on its own. The mind will do everything it can to remain consistent with the behavior of the organism; changing one’s behavior is one of the best ways to create a change of attitude. There is a lot of truth in the saying “fake it till you make it.”

### What constitutes the biggest “loss” when someone is laid off?

People usually say they miss most the co-workers they must leave behind. For many individuals, co-workers represent an extended family. Not only did the job give them an identity; the company also gave them a family.

### STRATEGY 3

#### Increase the geographical scope of your job search, but do it with sincerity.

Given the large number of layoffs in the financial services industry in the U.S. and U.K. markets, many investment professionals may look to Europe or Asia for new assignments. Tony Dickel reports that the job situation in finance and banking in Asia is a bit better than in the United States or Europe.

But many companies are now reluctant to fund generous expat packages, particularly at mid- and junior levels, according to several executive search consultants. Moreover, companies in Asia are wary of job seekers who cannot show a commitment to the region. [Editor's note: For more on career planning for expats, see "Ticket to Ride" in the November/December 2008 issue.]

In fact, notes the Hong Kong-based Dickel, a "dirty word" is circulating in his region—FILTH, which stands for "Failed In London, Try Hong Kong." The implication is that job seekers from developed countries shouldn't assume that their experience is necessarily in high demand or enough to land a job in an emerging market, particularly in Asia.

Instead, highly skilled people need to show that Asia is their choice by using a family connection, studying an Asian language, or moving overseas for the purpose of job searching.

Patrick Yip, who was raised near Houston, TX, traveled to his parents' native Hong Kong when he was growing up but hadn't really considered China as a place to work until he visited during a class trip as an MBA student. After he began targeting the region in earnest, Yip, then based in New York, frequently had to answer the question, "How do I know you're going to come?" His answers: He could speak Cantonese and was learning Mandarin Chinese, and his wife had previously spent a year teaching English in Beijing.

With the help of a headhunter based in Hong Kong who had solid experience in Asia and good contacts with several multinational investment banks, Yip conducted multiple video interviews from the New York offices of various investment banks before doing further interviews in Hong Kong in 2007.

"I felt that doing initial interviews in New York City before I even landed in Hong Kong definitely gave me an advantage in the hiring process," says Yip. "When I finally landed in Hong Kong, they remembered who I was, were encouraged by



Patrick Yip

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#### What should a person do before finally leaving the company?

If you are suddenly asked to leave your company, it would be wise to ask for an exit interview and, at that time, get clarification on why you were laid off. It's extremely important that this be done calmly, although sometimes that doesn't happen.

It may not be possible to have an exit interview immediately, depending on company policy and the situation, but it is a good idea to do this as soon as possible. One reason is to make sure you understand what the company is going to put into your personnel record. Another is to discuss what your answer is going to be when people ask why you left. A third reason is more personal: Were you asked to leave because of something you did or was it truly that a certain percentage of people had to leave and you were just included in that group?

#### What role does denial play in layoffs and job searching?

Denial is refusing to accept reality, and it is extremely widespread. Denial is a very common defense mechanism that is employed to shield us from the harshness of everyday reality. Denial seems to be a general construct that applies to everyone who is downsized, and from the outside looking in, it's amazing that the people who are eventually downsized never saw it coming.

Denial has a profound impact on one's ability to manage change. Before one can make changes, one must acknowledge that change is necessary and that a change has occurred. It is amazing how long individuals will wait before starting to work on their résumé. It's almost as though, on some level, they think the decision will be reversed and the company will call them back.

There is also refusal on many people's part to accept the fact that their behavior may have contributed, in some way, to being chosen for downsizing. To make the most constructive use of a downsizing experience, it is important to start examining what you might have contributed to the experience.

We all have blind spots about ourselves (denial, again), and soliciting an honest opinion from people we trust may be a good way to begin. Psychological testing is also an option. There are many good assessment instruments on the market, and much of their value lies in their ability to stimulate a conversation around what people need to change in their lives or attitudes to help guarantee that a similar situation doesn't arise again.

## CHOOSING A COACH

**A**s thousands of professionals shift jobs due to the financial crisis, one result may be rising demand for the services of executive coaches and career coaching consultancies.

With a multitude of coaches offering their services and even more coaches being born overnight after their own layoffs, what should professionals consider when doing their due diligence in a search for a coach?

Clark Beecher, an executive recruiter at Magellan International based in Houston, TX, says referrals from friends and colleagues are probably the best way to find a coach, given the fragmented state of the coaching business.

First and foremost, find a coach who has worked with others in your industry. "Don't go with someone who works with consumer goods executives if you're in finance," says Beecher. Second, a coach should be able to help you discern what you're good at and why, not just help you improve your presentation. Finally, a coach must care about the coaching experience and be creative and willing to customize it for each individual.

Beecher has referred his clients to coaches and used a coach himself for four years, paying \$100 an hour for the service. "At the executive level," he says, "I tell people they should have somebody retained at all times."

If you want to invest in your career like you invest in your family or stock portfolio, you should have someone who can shoot straight with you, he continues. "You need a long-term relationship because they can see how you have evolved," Beecher says. In addition, face-to-face meetings with a coach are preferable to telephone sessions because a coach cannot properly assess executive presence and body language over the phone.



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Clark Beecher

Coaches should have significant experience and should have worked through rough economic periods, according to Tony Dickel, a management recruiter based in Hong Kong and CEO of the MRI China Group. A coach needs to have strong references and senior executive experience within an industry or human resources capacity. "You need someone who knows from the other side of the desk what employers are looking for in a bad market," Dickel says.

In addition, the CFA Institute Career Centre offers an online career-services portal that provides job seekers with a variety of career-enhancing services, products, and resources, including access to career coaches, tips on résumés, and lists of networking and career-development events held around the world. (For more about the Career Centre, see "At Your Service" in the November/December 2008 issue of *CFA Magazine*.)

my continued commitment to the region, and I had a chance to immediately launch into the next round of interviews."

Yip accepted a position as an investment analyst with Goldman Sachs in Beijing in August 2007, and the compensation provided expat benefits, including a housing package. In mid-2008, he moved from Goldman Sachs to the Beijing office of Schulze Global Investments, where he serves as CFO for the emerging markets private equity and financial advisory firm. Because he is a "permanent" expat who was hired away from another company in Beijing, Yip's new contract did not include the housing package to which he had grown accustomed. But he and his wife have adjusted and continue to enjoy their time in China. In fact, given the current job market in other regions, Yip sees China as a good place to stay for a while.

### STRATEGY 4

#### **Perform due diligence on your potential employer before accepting an offer.**

Wilkowski, the Bank of the West vice president who lost his job in the collapse of Washington Mutual, said his primary job-search criterion was to find a solid company that was prepared to weather tough economic times.

"Other than a financially strong organization, I was willing to be flexible with my other criteria and adapt to the right job," says Wilkowski, who used personal networks to find a position at the BNP Paribas subsidiary.

Joe Lee, CFA, a financial professional in Hong Kong, now says that he will vet any future employer more carefully if or when he switches jobs. He nearly lost his job after moving from a Japanese bank in Hong Kong to a European bank based in Hong Kong that was in trouble with its soured real estate investments. He signed a contract to work at the European bank in July 2008 (when the job market in Hong Kong was still strong) and started his new position in September after a waiting period. Two weeks after he joined the European bank, its parent company came under fire and the manager began to look for another position.

His former employer, the Japanese bank, hadn't hired a replacement because it couldn't find the right person. "Luckily," he says, "they agreed to take me back." Before switching again, he'd definitely look at the financial strength of a potential employer, whether a position is new or existing, and the bank's long-term commitment to the line of business in which he would work.

Some companies expand quickly when the markets are good. If the markets turn bad, those companies may just as quickly close down new divisions. "When I select a bank, one criterion is how long the bank has been involved in the sector," says Lee. "If it has been a long time, I feel more confident."



Michael Brauburger

**“You have to keep in mind counterparty risk. If the firm is not highly rated by Moody’s or Standard & Poor’s, or there is no big bank behind it, you will have some difficult times.”**

He advises others to question potential employers about their strategies for developing the business even if people feel their bargaining power is low because of the tight job market.

“You should do your own research and due diligence,” he says, adding that job seekers should ask potential employers the tough questions in an indirect way.

Some career coaches even suggest that candidates read the regulatory filings and financial reports of the large companies they are targeting and speak with company and sector analysts, much in the same way they might try to assess a potential investment.

These days, a person’s employer can actually represent a sort of “counterparty risk” to the employee and the clients he brings along with him, says Michael Brauburger, who sells equity and derivative products to institutional clients for Newedge, a Société Générale and Crédit Agricole subsidiary in Frankfurt. This perception caught him by surprise after markets crashed and many of Brauburger’s German clients indicated in one way or another that they preferred to work with German banks rather than French or American ones.

“You have to keep in mind counterparty risk,” says Brauburger, who moved to Newedge from Dresdner Bank at the end of 2007. “If the firm is not highly rated by Moody’s or Standard & Poor’s, or there is no big bank behind it, you will have some difficult times. For a German customer, it’s quite important to work with German houses. As a salesman, you have some advantages right now if you do.”

“If I had moved to a German house,” he continues, “I’d be in a better position now.” Still, Brauburger is not actively searching for a job because he believes his company has many strong points and offers several niche products to his list of institutional investor clients.

## STRATEGY 5

### **Maintain your network —with style.**

Any career guide or career coach will stress the importance of networking. But to stand out in the crowd, job seekers must network properly and with style.

Chloe Clark, the New York-based executive coach, sees networking as a structured process with definite rules of behavior, a ritual one shouldn’t go into unprepared.

“Most people will willingly grant you a network meeting at least once,” she says, “but everyone has limited time and

patience, and you don’t want to waste a precious opportunity or antagonize a good contact simply because you are not properly prepared.”

Stephanie Meade, who was laid off from her job as an analyst at a hedge fund of funds in December 2008, uses online networking tools, but she enters through the back door. “If I see a job advertised somewhere that interests me,” she says, “I then use LinkedIn to ascertain if anyone at the target company is in my network so I can ask for an informational interview.”

Once you have introduced yourself in the most appropriate way and begun the networking process, consider how to give interactions a unique, personal stamp.

For example, after an interview or personal meeting, job seekers can follow up with a note, preferably a handwritten one, says Simon Vetter, a San Francisco-based coach and expert on personal branding.



Ron Wilkowski

**“Sometimes, I felt bad calling up someone I hadn’t talked to in two years and asking for help. They were always happy to help, but I’m resolved to be better at maintaining those contacts.”**

“People love getting handwritten notes in the Internet age,” says Vetter. “Just be sincere about it.” Another suggestion from Vetter is for networking events: Don’t try to say something interesting or to be interesting. Instead, focus on listening intently to your conversation partners.

And, of course, maintain your job-related networks. Wilkowski, who successfully transitioned to Bank of the West, has vowed to keep in touch more often with his network to avoid the awkward moments that followed when he called people he hadn’t seen for years and suddenly needed a favor during his job search.

“Sometimes, I felt bad calling up someone I hadn’t talked to in two years and asking for help,” he says. “They were always happy to help, but I’m resolved to be better at maintaining those contacts.”

“People really want to help,” he adds. “They know it is tough times and that we are really all in this together.”

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## RESOURCES

CFA Institute Career Centre  
([www.cfainstitute.org](http://www.cfainstitute.org))

International Coach Federation  
([www.coachfederation.org](http://www.coachfederation.org))

“At Your Service—The CFA Institute Career Centre: helping you build a better career path”

CFA Magazine (Nov/Dec 2008)  
([www.cfapubs.org](http://www.cfapubs.org))