



MAMDOUH MEDHAT

CAREER POSSIBILITIES AND THE INTERNATIONAL JOB MARKET

THE ROADMAP FOR THIS TALK

1. About me
2. Career possibilities with a PhD in finance
3. The international job market
4. Take-aways

FROM COPENHAGEN TO LONDON

- ▶ Assistant Professor of Finance at Cass Business School (2015 -)
- ▶ PhD in Finance from CBS (2010-2015)
 - ▶ Visiting PhD student at Stanford University (2012)
- ▶ MSc and BSc in Math-Econ from University of Copenhagen (2005-2010)





ENDLESS POSSIBILITIES – TWO MAIN CHOICES

A. Academia

- ▶ Research and teaching

B. Financial industry

- ▶ Banking
- ▶ Asset management
- ▶ Central banking/policy work

FINANCIAL INDUSTRY

- ▶ A PhD in finance gives access to qualitatively challenging, (very) well-paying jobs in the financial industry
- ▶ In Denmark, PhDs have leading positions at all large financial institutions (banking/insurance/pensions) as well as at the Danish Central Bank
- ▶ Internationally, the possibilities are essentially endless
 - ▶ Investment banks
 - ▶ Hedge funds
 - ▶ Rating agencies
 - ▶ Consulting firms
 - ▶ Central banks and policy institutions

ACADEMIA

- ▶ A PhD in finance can also be used as the first step of an academic career within finance/economics/econometrics/...
- ▶ A PhD is now a necessary condition for a so-called *tenure-track* position at most universities and business schools
- ▶ As an academic, you essentially do three things:
 - ▶ **Research:** Writing articles, publishing them, and applying results
 - ▶ **Teaching:** Lecturing courses and supervising projects
 - ▶ **Service work:** Attending/organizing conferences, refereeing other academics' work for journals, giving talks for practitioners, ...

INDUSTRY AND ACADEMIA: A COMPARISON

Industry

- ▶ Narrow job description, but therefore less flexibility
- ▶ Higher salary, but longer in-office working hours
- ▶ Practical problems, but at the risk of becoming monotone
- ▶ Most of what you do directly advances your career, but this implies a focus on relatively short-term results and therefore lower job-security

Academia

- ▶ Broad job description, but only well-published research advances your career
- ▶ Freedom and independence, but also loneliness
- ▶ Broader impact of results, but publishing well is difficult
- ▶ Focus on long-term achievements, but this implies that the bar for succeeding is high

**IF YOU REMAIN AN ACADEMIC,
YOU WILL BE IN THIS “SCHOOL
YARD” THE REST OF YOUR LIFE**

Lasse Heje Pedersen, CBS
“How to succeed in academia or die trying”

GOING INTERNATIONAL

- ▶ The process of finding a postgraduate job internationally is effectively standardized
- ▶ Each year, PhD students in their final year follow these steps:
 1. Send out job applications by the end of November
 2. Meet with interested potential employers at the AFA/AEA Conference in the beginning of January
 3. Attend fly-outs to still interested potential employers in the spring
 4. If successful/satisfied, accept a position and move to the location of the new employer by the end of the summer





WHAT DETERMINES THE OUTCOME?

- ▶ In general, supply and demand, as well as competition and luck...
- ▶ But a lot of candidate-specific characteristics influence a candidate's market value
 1. Quality of job market paper
 2. Strength of references
 3. Quality of CV and expected value of research pipeline
- ▶ The sooner you commit to going on the market and start working in a focused way to maximize your market value, the more you tip the scale in your favor

TAKE-AWAYS

A FINANCE PHD IMPLIES ENDLESS CAREER OPPORTUNITIES

- ▶ Opens the door to a career within academia or high-ranked job within industry
- ▶ Academia is freedom, but the bar for success is high
- ▶ Industry is instant, practical impact, but less flexibility
- ▶ The job market is a standardized way of seeking jobs internationally, but, to be successful, you need to commit to it and focus on it an early stage during the PhD

