



Financial Management Association



Office: – LL24
Speakman Hall
Temple University
215-204-6673

Date : 10/20/2008

Volume 12: Issue 4

<http://www.templefma.com>

Faculty Advisor: Insights

10 Reasons You're Not Getting Interviews



How many times have you believed you had ideal qualifications for a job, but never heard back from the company about your résumé and cover letter? Good intentions, good grades, and wishful thinking are not sufficient to get you the interview you want. A recent article by global recruiters Robert Half International, revealed some reasons why. If you have had this problem, consider these potential problems:

(Contd. on page 3) R. Stephen Kamp kamp@temple.edu

Upcoming Events...

October 20th, 2008 - FMA Member Meeting – Prof. Steve Kamp – Interview Skills

October 27th, 2008 – FMA Member Meeting – Stalla CFA Review, Guest Speaker Sunny Chanthavong

"New website Released, WWW.TempleFMA.com"

Be Ready for the Screen Call

A telephone screen call can come at any time. Be sure everyone in your household -- children, roommates, etc., are aware you may be receiving calls from recruiters and companies. Ask them to answer the phone in a polite, professional manner. While you're at it, make sure your voice-mail message is professional and upbeat: No music or jokes for the time being -- just a straightforward message.

Turmoil in the Markets

On Monday October 6th Professor Kamp, FMA's faculty advisor gave an astounding presentation on the current condition of the financial markets. Over the past few months Americans have had two questions on their minds: What and who caused the financial meltdown. Kamp enlightened students by showing a presentation which went into great depth about who is actually to blame and what caused this whole crisis. Contrary to popular opinion, Wall Street is not the only culprit. As shown in Kamp's presentation Congress, various occupants of the White House, Real Estate Agents, Mortgage Brokers, Lenders/Bankers, and Buyers also played an important role in the meltdown. The root of the crisis actually stems from 31 years ago when President Jimmy Carter passed a bill to encourage looser lending standards so lower-income people could obtain housing.

In the 1990s, President Bill Clinton continued the trend by pressuring banks to give mortgage loans to low-income borrowers and banks were threatened with legal action if they did not comply. Congress knew about the faulty policies but looked the other way and took huge contributions from the real estate industry, wall street, and the two mortgage giants Fannie May and Freddie Mac. Buyers erred in believing house prices would continue to rise and by looking at monthly payments rather than valuation. Buyers used their home equity to finance other purchases and pay down credit cards. As soon as food and fuel prices increased because of energy concerns, budgets were squeezed and this resulted in many foreclosures. Analysts are now saying it may cost over 2 trillion dollars to correct the financial meltdown.

President's Corner

Two weeks ago Professor Kamp provided FMA members with an extremely insightful presentation about the cause of the current economic meltdown. It is evident that the poor economic conditions are harming both individual & institutional investors alike, but for all those seniors looking for post-undergrad employment it has made job searches a lot more challenging. Here are some of my hints for interviewing that will help to give you the edge over your competition. First, research the company along with its industry. Attend on or off-campus information sessions; the benefits are two-fold. The information session is an easy way to learn about the company and receive the opportunity to get face time with possible interviewers. Another tip is to before the interview write down real life examples of times that you exhibited leadership, teamwork, communication, and analytical skills (with emphasis on the first two). That being said, make sure that your answers do not seem too rehearsed. This can be achieved by having certain examples in mind, NOT a word-for-word speech. Learn the interviewers' name and use it (ex. "Thank you for your time Mr. or Mrs. X). Everyone's #1 favorite word is their name. Lastly, be calm! I know that this is easier said than done, but by being calm you will be yourself helping the interviewer gauge if you are the correct fit for the organization & its culture. After all, as Professor Kamp always says, "The company is not looking for reasons to hire you, they are looking for reasons to not hire you".

Best of luck!!!

-Andrew Keinard, President

Bailout becomes buy-in as feds move into banking

WASHINGTON (AP) -- Big banks started falling in line Tuesday behind a rejiggered bailout plan that will have the government forking over as much as \$250 billion in exchange for partial ownership -- putting the world's bastion of capitalism and free markets squarely in the banking business.

Some early signs were hopeful for the latest in a flurry of radical efforts to save the nation's financial system: Credit was a bit easier to come by. And stocks were down but not alarmingly so after Monday's stratospheric leap.

The new plan, President Bush declared, is "not intended to take over the free market but to preserve it." It's all about cash and confidence and convincing banks to lend money more freely again. Those are all critical ingredients to getting financial markets to function more normally and reviving the economy.

The big question: Will it work?

There was a mix of hope and skepticism on that front. Unprecedented steps recently taken -- including hefty interest rate reductions by the Federal Reserve and other major central banks in a coordinated assault just last week -- have failed to break through the credit clog and the panicky mind-set gripping investors on Wall Street and around the globe.

The Dow Jones industrials declined 77 points on Tuesday after piling up their biggest point gain ever on Monday on news of Europe's rescue plan and in anticipation of the United States' new measures.

Initially the U.S. government will pour \$125 billion into nine major banks with the hope that they will use the money to rebuild their reserves and to increase lending to consumers and businesses. Another \$125 billion will be made available this year to other banks -- if they need it -- for cash infusions.

In return, the government will get ownership stakes in the financial institutions. Banks, meanwhile, will have to accept limitations on executives' compensation.

"Government owning a stake in any private U.S. company is objectionable to most Americans -- me included," Treasury Secretary Henry Paulson said in announcing the initiative. "Yet the alternative of leaving businesses and consumers without access to financing is totally unacceptable."

Whether the \$250 billion will be sufficient to encourage banks to lend again is hard to tell, said Anil Kashyap, professor of economics and finance at the University of Chicago's Graduate School of Business. The Treasury Department arrived at the \$250 billion figure after consulting with banking regulators.

"This plan will work if we wind up with everybody pretty well capitalized," Kashyap said. "But if it doesn't reach that point, we'll be back in soup down the road." The government is counting on banks not to just clutch onto the cash, which aggravated the credit crisis to begin with. "The needs of our economy require that our financial institutions not take this new capital to hoard it, but to deploy it," Paulson said.

Treasury switched gears deciding to first use a chunk of the \$700 billion from the recently enacted financial bailout package to pay for taking partial ownership stakes in banks, rather than using the money to buy rotten debts from financial institutions. The government said it still intends to buy the bad mortgages and other toxic assets, another move aimed at getting credit flowing again.

Besides the \$250 billion this year on the stock purchases, Bush said Tuesday that an additional \$100 billion would be needed in connection with covering bad assets. That would leave \$350 billion of the \$700 billion program; presumably to be spent by the next president. Economists as well as both Democratic and Republican lawmakers on Capitol Hill had urged Treasury to first move forward on the capital injection plan, arguing that was a more effective way to battle the financial crisis.

The first bank to take advantage of the program was Bank of New York Mellon which announced it would sell \$3 billion in preferred shares to the Treasury. Other banks initially participating include Goldman Sachs Group Inc., Morgan Stanley, JPMorgan Chase, Bank of America Corp., including the soon-to-acquired Merrill Lynch, Citigroup Inc., Wells Fargo & Co., and State Street Corp.

The government's cash infusions are attractive to banks because they are having trouble getting money from elsewhere. Skittish investors have cut them off, moving their money into safer Treasury securities. Financial institutions are hoarding whatever cash they have rather than lending it to each other or customers.

Two other initiative also were unveiled to stem the credit crisis: The Federal Deposit Insurance Corp. launched an insurance fund to temporarily guarantee new issues of bank debt -- fully protecting the money even if the institution fails.

And, the FDIC will start providing unlimited deposit insurance for non-interest bearing accounts, which are mainly used by businesses to cover payrolls and other expenses. Frequently these accounts exceed the current \$250,000 insurance limit, so the expanded insurance should discourage nervous companies from pulling their money out. Both of these efforts would be financed by fees charged to participating financial institutions -- not money from the bailout package.

Even if the new plan works, economists' caution that it could take years before locked up lending returns to normal.

10 Reasons You're Not Getting Interviews

1. You fail to follow directions.

Some companies require a cover letter while others expressly ask for only a résumé. If you sent a cover letter to such a company, your correspondence will neither be read nor considered. You have succeeded in demonstrating you cannot follow simple directions. Be sure to follow the required application procedures precisely. **Deviation assures rejection.**

2. You only focus on the "top tier" companies.

These companies can be exciting, but the competition for positions is fierce and there are many more companies you may never have heard of. Excellent positions with great futures can be found at thousands of small-to-mid size companies that should not be overlooked. It can be tougher to get into top-tier companies, while other firms can often provide more hands-on experience quicker.

3. You need to customize your résumé.

Take the time to research employers and customize your materials by explaining why you're interested in a particular position and how you could make a contribution to the company. Remember, each company has unique needs and problems. Present yourself as the solution to a specific need.

4. Your cover letter isn't enticing.

Your cover letter should function like a newspaper headline – it must convince the reader that your résumé is worth reading. Describe your **achievements**, not just your duties.

5. You don't reference keywords.

Companies that receive a high volume of résumés often scan applications using specialized software that looks for certain keywords to determine which candidates to call for interviews. These keywords often come directly from the job description. Be sure your cover letter and résumé contain keywords. Résumé scanning isn't "nice" – but it is real and often impossible to avoid.

6. Your application materials contain typos and grammatical errors.

The quickest way to kill your chance of getting interview is to submit application materials that are not perfect – a single error can sink you because they show a lack of professionalism and attention to "detale" – note the misspelled word.

7. You send your material to an anonymous person.

Hiring managers pay special attention to applications that are addressed directly to them. "To Whom It May Concern" again indicates a **lack of attention to detail**.

8. You don't use your contact at the company.

Mentioning the name of someone you know at the company can make the connection between you and the hiring manager and is the best way to assure your résumé gets the proper attention.

9. You don't follow up.

Be sure to indicate your interest, enthusiasm and diligence by following up. More than 80% of hiring managers said applicants should **follow up within two weeks** of sending hiring documents. A brief phone call or e-mail will usually be sufficient to reinforce your qualifications and interest.

10. You're not as qualified as you think.

You're not as perfect for the job as you think. Be sure to read the job description carefully and make an honest comparison of your skills and the requirements of the position. If the job requires two years of full-time business experience, or a GPA of 3.5 or higher, don't bother to apply unless you easily meet the criteria. Hiring managers often have specific skills in mind. If you don't meet them, don't apply. While you may be a whiz, trying to get past clear criteria indicates lack of attention to detail and inability to follow directions. Not a good way to start a relationship!

Simple, easily overlooked errors, can torpedo your application long before it gets to someone who may have great interest in you. Don't fall into these traps.

Financial Management Association – Officers 2007-2008

Executive Officers

President, Andrew Keinard, andrew.keinard@temple.edu

Vice President, Andrew Kratz, andrew.kratz@temple.edu

Secretary, Ashley Klaas, ashley.klaas@temple.edu

Treasurer, Josh Kleinjan, joshua.kleinjan@temple.edu

Standing Committees

Vice Presidents

Alumni Affairs

Nadezda Svishov, nadia.svishov@yahoo.com

Communications

Lucian Gutica, lgutica@temple.edu

Community Relations

Dominique Sellers, tua24259@temple.edu

Events

Samantha Mirkin, Samantha.mirkin@temple.edu

Finance

Brian Hoey, b.hoey@temple.edu

Industry Relations

Sean DeBoer, sdeboer22@temple.edu

Marketing

Dan Sullivan, dansullivan@temple.edu

Membership Development

Elizabeth Vaysman, evaysman@temple.edu

Student Affairs

Luba Sakalova, lubas@temple.edu

Website Development

Monica Thong, monica.thong@temple.edu

Faculty Advisor

Prof. Stephen Kamp, kamp@temple.edu

Corporate Sponsors



Merrill Lynch



Prudential

