

S g cowen essay

[Business, Accounting](#)



Chip Rae, director of recruiting at SG Cowen, had been involved in a hard time to make a decision. He had only two offers to be given out, but the amount of remaining candidates was four.

Meanwhile, not so much time had left for him and his recruiting team members, who were all very tired after a series of marathon-recruiting processes in the past two days. From my opinion, all the four candidates have a strong background for them to enter whatever well-known investment banking companies. Natalya Gldlewska, a Poland-born MBA student who can speak four foreign languages at Cornell, had impressed background in finance market and seemed very determined, ambitious, and ready to work hard. Martin Street, a Wharton MBA, had substantial leadership experiences and dynamic personality. Ken Goldstein, a former top employee in PWC, was a Berkeley MBA with ample knowledge and strong understanding of business. Andy Sanchez, a personable and enthusiastic MBA from University of Southern California, was an entrepreneur who owned a company with \$2 million revenue. It was hard to choose as they all had some traits that impressed recruiters.

I also had met some situations before that were very similar with which Rae was facing. In fact, no matter for HR recruiters or line managers, it is very common for them to be asked- who is your preference? Facing so many candidates whose knowledge, skills, and abilities (KASs) provide a great fit with clearly defined requirements of specific jobs, what are the bottom-line and rules to choose? At this time, one of the most important principles of recruiting is that recruiters are hiring people for “ organizations”, not just for “ jobs”. It is true that the individual behavior is related to individual KASs,

however, more and more evidences show that, in the long run, no matter from the point of organizations' retaining costs, or from the point of individual contributions to organizations and individual returns from organizations, the win-win situation of employees and organizations comes from a close match of individual personality with organization climate. Employees and organizations should fit and appreciate each other so as to try their best to lift both performances to a higher level. Thus, for recruiters, their first job is not accumulating resumes but assessing the overall work environment and inferring the type of person required. As for SG Cowen, a middle-size investment banking company, there are several attributes that regarding this company and this industry to be taken note.

First, investment banking is a service industry that highly relies on capabilities of employees-compensation costs is the biggest expense and averages 50% of revenue. Then, SG Cowen has been employing a focus business strategy-focusing on emerging growth companies in two areas, health care and technology. Next, SG Cowen believes in the advantages of a boutique firm and do believe this attribute can make its employees move much faster in their careers and allow for more exposure to clients, more responsibilities and more entrepreneurship. Last, SG Cowen likes people who can figure out what they like to do and prefers giving bankers as much autonomy and decision-making power as possible. As one senior manager had said, " The type of person who does well here does not want to be told what to do"; " we want self-starter. " From these quotations above, a conclusion could be drawn that SG Cowen is a really unique company that has the attributes of a HIO-High Involvement Organization. Employees in SG

Cowen should have the traits of high quality, professional, innovation spirit, self-cognitive control, responsibility-taking and target-oriented. Based on these requirements, if I were Chip Rae, first, I will give up Martin Street.

The reason is obvious: He is energetic, but he does not show any evidences of knowing what he should seek for and what he likes to do, and adding his lack of business experience, he will most likely to be lost in the complicated business world. Next, I will give up Ken Goldstein. His five-year management experiences in PWC have more or less molded him, and the culture of PWC, a top four accounting company with so many business extensions in various areas, could be totally different from that of SG Cowen. I doubt whether he could get used to the climate in SG Cowen.

And his family situation is another consideration. Perhaps his desire of balancing his work and life could be a conflict with other new employees. We cannot ignore the feelings of the other team members.

Either Ken or Rae should seriously consider this factor again. I will choose Natalya Godlewska and Andy Sanchez. I like Natalya because her diligence and her past experiences of struggling in various, sometimes difficult, environments. She has the capability of highly adaptive and shows strong implications of self-determination. These are all SG Cowen needs. Her Eastern European background won't constitute a culture conflict, because SG Cowen itself is an international and diverse society.

As for Andy, I appreciate his entrepreneurship spirit exhibited in his activities in this recruiting process and in his past experiences. He has the capabilities

to brave the difficulties and tackle them. The knowledge and skills he has learned as an entrepreneur could have been much more than those who have a higher GPA in the school. He is also the right choice. Apart from the tricky problem of candidate choice, I also have other advices regarding SG Cowen's recruiting process. First, except Chip Rae, no other HR people have been involved in the recruiting. I doubt these 30 bankers could have the capabilities or had ever been trained to be a successful and effective school recruiter.

They are line businessmen with various backgrounds, and tastes. When facing a candidate, the focus of a HR people and a line manager is different. So, a key point here is to make sure that these bankers, as double-role players, clearly understand the needs and requirements of HR team, and enough tools or skills to accomplish.

Next, the contents of 30-minute interviews seem a little bit unstructured. Although Rae has an evaluation form, there are no standard questions or requirements. The topics of discussion can vary dramatically from one candidate to another. Although it provides some kinds of flexibilities, just thinking about another factor- the time-consuming and exhausting one-by-one interview processes, how could guarantee the bankers have an uniform standard and keep energy from the beginning to the end? First, I propose that a number of HR people participate the interviews with Rae. They will train the banker first, tell them what type of students is SG Cowen most needed at present, oversee the whole process, and provide their professional viewpoints about the candidates. Next, I propose a less-unstructured

approach to handle the 30-minute interview that would include some must-answer questions which could cover or disclose some important traits and information SG Cowen needs to know. A 5-minute elevator pitch that the topic designed to simulate current working settings, noticing candidates in advance, could be conducted to check their personality and capabilities.

Last, Rae should design a more relaxed and flexible agenda for all of the recruiters. For example, if one banker wishes to interview a candidate once again, he should get the opportunity. Or, Rae might encourage SG Cowen to consider the necessity of hiring grads only from so-called top schools, a policy that makes this type of interview seem inevitable. Choosing only from the top 25 schools but not a school like UW-Whitewater is just as unwise as a growing customer in the health care industry only wants to choose partners from Goldman and Morgan Stanley but not SG Cowen.