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HERE'S THE STUNNINGLY SIMPLE REASON WHY HEDGE FUND HIRING FOCUSES SO MUCH ON PERSONALITY

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Although hedge funds and investment banks both occupy the financial sphere, we've heard very different tales about the interview experience to get into the respective types of firms.

One trend that's popped up in abundance with hedge fund interviews is the focus on personality and cultural fit within the firm. When Business Insider spoke to a recent college graduate about his interview experience with Ray Dalio's Bridgewater, we were struck by how much of his 30 minute phone interview focused on his own internal evaluation of his weaknesses rather than any test of his quantitative ability.

But there's a stunningly simple explanation for the focus on fit and personality as Bob Olman, managing director at executive search firm Alpha Search Advisory Partners, told Business Insider in an interview today—it has to do with a hedge fund's small size.

"Hedge funds are in general ... firms with 90 people or less, so it's almost like a family as opposed to [for example], thousands and thousands of employees at BofA Merrill Lynch," Olman said. "When you're working with 30 to 90 people, and that's the entire company ... the chemistry becomes so much more important."

Ironically, Olman mentioned huge hedge funds like Bridgewater and the UK's Man Group as exceptions to this rule, though our recent chat with the Bridgewater interviewee seems to suggest differently—the eccentric Connecticut-based hedge fund is always full of surprises.

Olman also had a key piece of advice for anyone hoping to enter the hedge fund industry: learning more about a firm's corporate culture and what values they emphasize the most will be much more helpful than brushing up on any technical or quantitative skill sets.

"Everyone's going to be expected to have a certain level of intellectual capacity and a certainly level of analytical ability, but there's that soft piece that's going to help in terms of whether or not Candidate A gets a job offer or Candidate B does."

URL:

<http://www.businessinsider.com/heres-the-stunningly-simple-reason-why-hedge-fund-hiring-focuses-so-much-on-personality-2012-2?op=1>

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