



Job hunting on Wall Street? The line forms here

'Fewer and fewer chairs and more and more bankers scrambling to sit'



An employee of Lehman Brothers carries a box out of the company's headquarters building.

Chris Hondros / Getty Images

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Employees at Lehman Bros. and Merrill Lynch better spruce up their resumes fast if they want to move to the head of an ever-growing line of out-of-work Wall Streeters.

With Lehman Bros. filing for bankruptcy this week and Bank of America agreeing to buy Merrill Lynch, about 85,000 jobs now hang in the balance.

Just last month, 10,000 financial jobs were lost in New York alone, according to Robert Olman, management partner for financial executive search firm Alpha Search Advisory. While nearly two thirds of Lehman's entire workforce could be lost, Merrill Lynch could lose 20 percent to 40 percent of its jobs. In the recent government bailout and takeover by JPMorgan Chase & Co of Bear Stearns Cos. about 50 percent of jobs at Bear Stearns were cut.

“If you have a job with one of the surviving banks, you come into work early and leave late. If you’re in a bank that filed for bankruptcy or was acquired, you say goodbye to your friends and send out resumes to get a new job,” advises Peter Cohan, who runs who runs management consulting and venture capital firm Peter S. Cohan & Associates. “That’s because there are fewer and fewer chairs and more and more bankers scrambling to sit down on them.”

One senior vice president at Lehman, who has been with the firm for more than 30 years and asked that his name be withheld, says older workers like him that are ready to retire will be OK, but as for younger employees: “There’s no place for these kids to go.”

The employees focused on the mortgage side of the business, and those with support type positions, will have the toughest time, recruiters say. The employees with best chances of landing a gig quick are those with the biggest rolodexes, a reputation for making money even in this downturn, and those with specific knowledge in commodities and electronic trading, experts say.

“Commodities have been a hot market for a while, and electronic trading has been taking over on the institutional investing side because it’s much more efficient,” says Jay Gaines of Jay Gaines & Company, an executive search firm specializing in financial services in New York.

Headhunters say they’ll be hotly pursuing the stars in fixed income, what Lehman is best known for. “One would anticipate that people associated or part of Lehman’s overall fixed income will fare better, but there may be some scrutiny on mortgage and derivative side where Lehman stumbled,” Gaines notes.

The company is also known for its strong back-office capabilities, and hiring managers will be looking to hire those employees that were integral to operations, technology, and, ironically, risk management, he adds.

Gaines also believes there will be a need for experts in mergers and acquisitions because so many financial institutions are selling off parts of the business and they’ll be looking for people who know how to make things work.

Recruiters are already calling workers at Lehman like crazy, but in most cases they’re calling off a list and don’t really know what those employees really do day to day. So be smart, and grill these folks about actual job opportunities they have available.

Lehman has a prime brokerage business with institutional investors and that will be an attractive piece of the business a buyer like Barclays may want, and they’ll want to bring along those who ran the show, recruiters say.

The reputation of Lehman is probably the biggest plus for workers who’ll be hitting the job-search pavement soon, says Alpha Search’s Olman. “Lehman’s corporate culture,” he adds, “is one of a ‘can do’ and ‘get it done’. They’ve always been a bit more slimmed down staff-wise than other banks and their people are respected.”

And don't expect older, high earning employees to be shut out of jobs, or laid off first.

In this volatile market, finance companies of all shapes and sizes will want employees who have weathered downturns before and have lived to tell about it, says Sandy Gross, founder of Pinetum Partners, a retained executive search firm specializing in senior-level search for hedge funds, investment banks and securities firms.

"Seasoned workers this time will have the advantage during the job hunt because they've gone through down cycles and can share their expertise when it comes to knowing how to survive the bad times," she says, adding that playing up such expertise in a cover letter is a wise move right now.

Indeed, in the past 12 months Alpha Search's Olman says, "seasoned investment professions have been in a higher demand than we've seen in a long, long time. It used to be the life of a trader was like a baseball player's career. Now that 20-year veteran is in more demand than the rising young Turk."

Don't just let your job title tell the story, she advises. Make sure recruiters and hiring managers know exactly what you did and how you were able to bring value to the firm, either producing revenues or building client relationships. "They'll be looking for people who can communicate with investors and portfolio managers," she stresses.

If you were working on the mortgage side, or have a position at Merrill that may be redundant with Bank of America's staffing, it may be time to rethink your career strategy.

"Find someplace to come in out of the cold until things settle down in financial services, and judging from the recent Bear Stearns and Lehman debacles, that could prove to be quite a while," says Sally Haver, senior vice president of business development at career services firm The Ayers Group/Career Partners International.

"Look at your transferable skills – sales, management, etc. – and then look outside financial services, unless you have very deep pockets and are prepared to ride out the storm for over a year," Haver says. "Whittle down your lifestyle on every possible variable, and enjoy a kinder, simpler, gentler time in your and your family's life. Remember that most of the world would be overjoyed to have a roof over their heads, food on the table every night and clean clothes on their backs. Start from there."

There will be opportunities in other industries for technology experts from the financial sector and also those with legal expertise, says Pinetum Partners' Gross. "An in-house counsel at Lehman could move into an advisory role by joining a law firm, or a person with a technology background could work for an IT firm providing information to the banking industry," he suggests.

And look to growth industries, such as healthcare, government and education, where you can use your financial skills or embark on an entirely new career.

For those of you unable to see life beyond the world of finance, relocating is an option.

“Look broadly from a geographic perspective,” says Jay Meschke, president of EFL Associates, an affiliate of business consulting firm CBIZ. “Instead of New York City, maybe look at Boston, San Francisco or Chicago. But they need to quickly look at these options rather than think of them as a ‘Plan B’.”

No matter how you look at it, the jobs landscape in the financial sector will never look the same.

“We haven’t seen anything like this, ever,” says the senior vice president at Lehman. “There were bad times in the ’70s, but Lehman was also growing other businesses. Now you have here an entire package of negatives. Nothing positive is going on.”