



Fast and Furious Finance Careers Are Things of the Past



By Lily Fang , INSEAD Associate Professor of Finance

Finance has become a difficult industry to operate in with tighter regulation around the world post financial crisis. Now more than ever, those set on a career in investing need long-term views, curiosity and lots of patience.

MBA graduates used to line up for jobs at investment banks. Banks recruitment campaigns targeting the young and ambitious once hired associates by the class straight from business schools. However, the financial rewards and the stability that once defined a career in finance are fast disappearing. Banks are not only getting highly selective, recruiting only the select few graduates, but also relying more on developing talents in-house. Meanwhile, with tech and consulting companies now offering comparable salaries and career flexibility, the enthusiasm among MBAs for finance jobs seems also to be waning. As INSEAD alum [Roy Ling points out](#) , if you are passionate about finance, you don't necessarily have to go to a

bank.

But what if finance and investing is your passion? How should you position yourself for a career in the financial world today? Those whose ideas have stood the test of time are usually the best sources for advice. For that, I turned to Jim Rogers, the renowned investor famous for his big bullish bets on China, commodities and more recently farmland, who says his success came not from his aptitude for numbers, but a keen sense of the world around him.

The road well-travelled

I had the pleasure of sitting down with Jim on the sidelines of a recent visit he made to INSEAD to address some MBA graduates looking for his guidance. When I asked him what advice he would give to graduating students considering a career in finance, his answer was shocking.

“The financial business is going to be a terrible place to be for the next 10 or 20 years. More and more companies are merging or firing people, governments are raising taxes on us and imposing more and more regulations. So finance is not a good place to be,” he said. “If you love it however, forget all that, do it; go to it with a passion.”

One of the reasons for his scepticism—and headwinds facing finance-minded students—is increasing competition. He cites MBA figures to make his point. “In 1958, there were only 5,000 MBAs awarded per year worldwide. Last year, America alone awarded over 200,000 MBAs. So there is huge competition now which did not exist before.”

Much like investing, when one asset class becomes crowded, Rogers recommends that graduates seek out the unusual in this environment and stay humble. “When I went into the financial community it was the backwater. I wasn’t smart enough to know that, I didn’t have enough perspective to know that. If I’d known that I wouldn’t have done it!” he said.

Thus, follow your passion and have the right expectations. And given today’s cooling environment in the world of finance, a career in finance may well be a good contrarian strategy.

Mindful bankers

So what skills does Jim Rogers recommend for graduates dead set on financial careers despite the challenging environment?

Be selective about investments. Think of investments as finite. “If I told you that you can only have 25 investments your whole life, you will be very careful about which ones you pick...And you probably would be much more successful because you would filter them out until you find something,” he adds.

Rogers adds that his best ideas come from travelling and observing, which is reflected in his many books on travel, my favourite of which is “Investment Biker”, which chronicles his round-the-world motorcycle tour during which he cannot help turning his observations—about markets, people—into investment ideas.

“Be very curious. You need to question everything. Especially what you see in the media, because media usually just gives you the superficial, conventional wisdom. And the superficial and conventional wisdom is rarely, if ever, correct,” he said.

“If you see something and you observe and you say let’s think this through and think around the corner, sometimes, it leads to action,” he adds.

Rogers exudes patience. During our interview, which he’s clearly taken time out of his busy schedule to do, he is resolutely focused. No fidgeting or worrying about where he has to be next. He’s approachable and doesn’t worry about the short-term, which reflects his investment style. He playfully jokes that stockbrokers don’t like him because he never sells his holdings. “Many good investors do nothing most of the time. They wait...Every once in a while I do something. I make sure I’m right of course...you will be a much more successful investor if you wait and you’re patient.”

It’s not all about the numbers

Above all, an inquisitive mind and good judgment has set Jim Rogers apart from many aspiring investors the world over. He’s also a history buff and makes it clear that the numbers we learn and teach in the classroom are only part of being a great investor.

“I would suggest students to study history rather than marketing or finance. It would teach them a lot more about investing. But if you can be curious and sceptical and think independently and have good judgment, chances are

you'll do very well in the investment community. But it's not going to be as easy in the next decade as it was in the last two or three decades," he concludes.

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