

## SUDDENLY OUT OF A JOB

### **Rising from the ashes**

#### **Scenes of stricken Lehman workers lugging boxes out the door present cautionary tale about finding new work among crowd of rivals**

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With files from Virginia Galt

John Fargis knows firsthand what tens of thousands of Wall Street financial services employees who are now flooding the job market are going through.

He felt the uncertainty and stress six months ago when he jumped from a large, imploding Wall Street institution to a much smaller but at least buoyant ship.

"It's just gut-wrenching," says Mr. Fargis, who spent 14 years at Bear Stearns, working on major deals, such as advising Thomson Corp. in its \$18.2-billion (U.S.) purchase of Reuters PLC. He was a senior managing director at Bear Stearns when he left the firm in March and now works at Jefferies & Co.

"As much as this is a very competitive marketplace, nobody is rooting for another firm to fail in the way that Bear did or Lehman has, or to get absorbed by another institution in the way that Merrill Lynch has," he says. "There's no joy in this, for anybody."

It's unclear how many people will lose their jobs following this week's stunning events - notably the Lehman Brothers bankruptcy and Merrill Lynch takeover. Already this year, there have been about 103,000 jobs lost in the U.S. financial sector and another 50,000 may be looking for work in the months to come, according to an estimate by consultancy Challenger Gray & Christmas.

Canadians may be watching the carnage from the sidelines, and it's too early to say how the Wall Street meltdown will be felt on Bay Street. But, certainly, this country is no stranger to mass layoffs in regions dominated by one sector, such as oil, forestry or autos, from time to time.

This week's scenario, with images of stricken Lehman Brothers workers lugging boxes out the door, may seem extreme. But it can also present a cautionary tale on how to search for work in a shrinking field suddenly crowded with competitors.

It's an opportunity to take stock of one's career and do some soul-searching on what you want to do next, pros say.

"The first thing we're telling people is you need, right now, with the current environment in the financial sector, to ask yourself whether you want to stay in the financial sector," says **Darin Manis**, chief executive officer of RJ & Makay, which says it's the largest recruiting firm focused

on the financial services industry. "Separate yourself from the situation, evaluate your career ... do a self-evaluation."

He's been fielding calls all week from frantic people - and not all fully understand how the landscape has changed.

"I'm getting calls ... from people who have fully grasped reality - and from people still living in a dream world, thinking because of how special of a person they are that they're going to have three or four offers from companies that can't wait to bring them on.

"What they don't understand is that there are dozens of people applying for the same position. This is unprecedented in financial markets ... this downward spiral that seems to have no end."

He reminds people that, should they choose to stay in their industry, competition will be fierce. Résumés have to be impeccable. And "networking has never been more important."

On that note, keep your list of sources, contacts and connections handy. And, if it's all on the Blackberry, make sure you regularly download and save your files in case a company suddenly stops service.

People who continue in the financial services profession will need to rein in their expectations, observers say.

"Inevitably, it means that people are bumping into each other, chasing after the same jobs and this will mean longer [job] searches and periods of unemployment," says John Challenger, chief executive of Challenger Gray. "It will mean pressure on salaries and bonuses on Wall Street. And it will make for a tough winter."

He expects some people will relocate from New York back to their hometowns. Those who opt to stay in the city will likely face longer stretch of joblessness.

Other people in "portable" functions, such as sales, marketing and communications, will find work in other sectors. And that's a good thing for a career because it shows an employer you are flexible, he says.

If there are any winners, it is the smaller firms who may now have access to a larger pool of well experienced people, Mr. Challenger says. "These people do come out of a Lehman or a Merrill with a real pedigree. A lot of small or medium-sized companies would never have had access to those people."

New York City now has a glut of financial services workers looking for jobs. Only about a quarter will find comparable work on Wall Street, predicts Paul Bernard, who has run his New York-based management consulting firm, Paul Bernard & Associates, for nearly two decades.

People with expertise in regulatory affairs and risk management will still be a hot commodity, he says. "But the investment bankers and people dealing with leveraged finance ... are going to have a hard time finding a job."

He's advising people to readjust their expectations about pay: fat compensation packages are set to shrink, in many cases, dramatically.

In Canada, the employment outlook for bankers is far more stable, and the major financial institutions are still recruiting business school graduates, say career development officers at the University of Toronto's Rotman School of Management and York University's Schulich School of Business.

The main impact of the Wall Street meltdown is that Canadian MBA grads are sticking closer to home - and some who had left for jobs in London and New York are now clambering to return home.

"If they run into challenges in London, or New York or elsewhere . . . we have a dedicated career person who specifically works with our alumni to help them get placed, to help them get a leg up at a time when they need it most," says Jeff Muzzerall, director of Rotman's corporate connections centre.

Minoo Bhutani, a former investment banker and director of career development at Schulich, said he has not noticed a drop off in recruitment activity by the banks. When the major financial institutions arrive on campus, they are generally recruiting for a number of different roles. Any shift this year is in the functions that the MBAs are being hired for, rather than in the number of hires, he says.

Mr. Muzzerall says "retail and commercial banking are still booming in Canada, from a hiring perspective."

As students follow the news about bailout after bailout and widespread layoffs in New York, they are understandably anxious about their prospects, he said. "However, there is a big difference between the perception and the reality in the marketplace [in Canada] . . . And the majority of them, at present, are secure with the relative strength of the Canadian financial sector."

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### **Landing on your feet**

If you find yourself part of a crowd clutching pink slips, how can you get back on your job feet?  
Advice from the experts:

Reflect

Ask yourself what you really want to do: Stay in your field or consider a radical career change.

Act fast

If everyone's laid off at once, competition will be fierce. Start your job search quickly.

Look further afield

Don't be hemmed in by geography, industry, job description or size. Consider other industries or fields where your skills and experience may apply. Consider other types of jobs that can make use of related skills. Look at smaller players: You may have to take a cut in pay and glory, but smaller firms may still be hiring and happy to take advantage of your experience. And ponder relocating: looking outside your city, even country, opens more possibilities.

Target your online efforts

Recruiting firms are constantly prowling chatrooms and the likes of Facebook or Twitter; seek them out. Zero in on niche job sites that specialize in your field.

## **Network**

This is the time for an impeccable résumé and to tap everyone you know. Keep your list of contacts up to date and save frequently.

Rein in expectations

You may have to take a cut in salary, perks and title. Go back to school

A lousy job market may be a great time to acquire new skills. *Tavia Grant*