Spotlight on BBA in Finance

What is Finance?
The finance major provides you with a general understanding of financial decision-making and an insight into the way financial markets perform. Finance is a very professionally oriented major designed to prepare you for a career in financial management which is the art and science of managing money or the way people, institutions, markets, and countries generate and transfer wealth. Emphasis is on the financial management function in firms and not-for-profit organizations, the valuation of financial securities, and the appropriate management of financial risk. Finance majors learn to determine prices of assets such as stocks, bonds, and businesses and to manage assets to maximize their economic value. The banking and insurance industries, as well as investment service companies, employ graduates of this field. A bachelor’s degree is good preparation for entry-level jobs.

Occupational Opportunities
The field of finance is very dynamic due to the expansion of the global economy, shifting laws/regulations, and the proliferation of new/complex financial instruments. Eighty percent of finance graduates work in jobs that are related or closely related to their undergraduate major. Seventy-five percent are employed as financial specialists or mid- or top level executives.

Skills & Abilities
Working in the field of finance typically requires both excellent analytical and communication skills. Individuals must be able to problem-solve, deal with ambiguity and rapidly changing environments, have high computer proficiency/mathematical skills, and have high initiative or self-starter potential. A sampling of skills and abilities follows:

**Analytical**
- Organizes, analyzes, and interprets data
- Solves quantitative problems
- Ensures accuracy
- Thinks logically
- Assesses needs/risks
- Synthesizes information from various sources

**Communication**
- Excellent verbal skills
- Explains financial concepts and data
- Articulates relationships between desired return and value/risk
- Builds network of contacts

**Organizational**
- Works in teams
- Coordinates tasks
- Integrates different approaches
- Takes leadership role in advocating course of action
- Evaluates policies

**Financial**
- Forecasts future financial needs
- Constructs budgets
- Estimates short- vs. long-term cash needs
- Evaluates tradeoffs between profits and risks

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Career Snapshot: Financial Analyst

Two Years
Analysts travel, pore through documents, meet with clients (on a highly supervised basis) and prepare valuation analyses. They typically work for banks, insurance companies, mutual and pension funds, securities firms, and other businesses. Front office positions such as investment banking, asset management, sales and trading and private banking frequently require long hours and a fair amount of responsibility. Depending on the nature of the work, securities licenses and registration with the NASDAQ Stock Market may be required. In addition, some employers require the Chartered Financial Analyst (CFA) designation, sponsored by the CFA Institute, from analysts to demonstrate their level of competency.

Five Years
At the five-year mark, analysts can achieve the rank of associate of senior financial analyst. Responsibilities shift from producing to pitching, and client contact increases. Over 70 percent of people who began in the field have either changed firms, returned to school, or changed jobs within the industry. Those who remain can move up to become portfolio managers or financial managers. Salaries remain relatively stable but bonuses, which once were merely large, can increase dramatically.

Ten Years
Successful financial analysts have moved on to vice-presidential positions in the investment banking, financial analysis, or valuation departments of the company. While bonuses still account for the bulk of income, salaries are significant as well. The hours can decrease but the amount of responsibility increases and pressure develops to solicit new business. Responsibilities also include personnel decisions and hiring.

Additional Resources

U.S. Government’s Occupational Outlook Handbook
http://bls.gov/oco

National Association of Security Dealers (NASD)
www.finra.org

The Federal Reserve Board of Governors
www.federalreserve.gov

Financial Management Association International
www.fma.org

Make the Difference
www.makingthedifference.org/federalcareers

Jobs in the Money – a website dedicated to corporate finance, accounting, and commercial banking jobs and resumes.
www.jobsinthemoney.com

New York Stock Exchange
www.nyse.com

Financial Executives Institute
www.financialexecutives.org

Revised and updated by LOC&JM 2011. Information was obtained from the following sources: