

# Wall Street Turns to ‘Boot Camps’ to Train New Workers

By LYNNLEY BROWNING



Robert Caplin for The New York Times  
Kristen Kelly of Training the Street, one of several companies that teach Wall Street hires the basics, like spreadsheet building and financial analysis.

Newly minted university graduates who have landed coveted jobs on Wall Street may have impressive résumés and sought-after references. But often, nuts-and-bolts skills like spreadsheet building and database extraction are not part of university curriculums.

When millions of dollars can be won or lost on one calculation, firms are finding it essential that their new hires can tell the difference between a pivot table and a header row.

Enter specialized boot camps where — for fees that sometimes exceed \$1,000 a day — would-be masters of the universe can perfect Excel modeling techniques and financial analysis. Each year, tens of thousands of students at the nation’s top business schools, and scores of new hires at financial firms, including Goldman Sachs and the Blackstone Group, now take courses run by companies like Training the Street and Wall Street Prep.

Graduates say the classes give them a new appreciation for the heart of financial analysis. An eight-hour crash course on leveraged buyouts from Training the Street was so intensive that it “kind of makes you want to slit your wrists,” said Michael Rojas, who graduated from Columbia Business School this month.

But over all, Mr. Rojas said, the training was thorough. “This is the stuff you really need to know, and that you don’t learn in business school,” he said. “They have a template model, and they walk you through page by page.”

The growing ranks in boot camps underscore a little-noticed trend by Wall Street banks and other financial firms to outsource technical training. Such knowledge is crucial to carrying out the daily tasks of many disciplines on Wall Street — whether it is the merger deal-making, bond trading or sell-side analysis.

“I just want someone who can really use Excel and PowerPoint,” said one senior loan syndication banker at a European bank, describing his recent interviews of newly minted M.B.A.’s in New York.



Robert Caplin for The New York TimesRick Yuan, an instructor at Training The Street, with Daniella Aryeh.

Nineteen of the country’s top 20 business schools now use Training the Street to teach an estimated 20,000 business majors every year in how to interpret financial statements, value corporations and run spreadsheet analyses.

“A lot of investment banks are casting a wider net, so they’re spending more time emphasizing getting people up to speed fast,” said Matan Feldman, who founded Wall Street Prep in 2003 after working as an analyst and associate at JPMorgan Chase. Because of the camps, “you don’t have as many clueless liberal arts majors anymore,” Mr. Feldman said.

Even the banks themselves send legions of their young hires for training. Credit Suisse, Merrill Lynch and Bank of America and others have hired Training the Street to school summer interns on credit analysis and mergers and acquisitions.

Such fundamentals also are valuable outside of Wall Street in businesses such as brand management and to technology companies in Silicon Valley that do financial modeling, said Missy Bailey, senior associate director of M.B.A. career services at the Marshall School of Business at the University of Southern California.

The training does not come cheap. Business schools pay Training the Street as much as \$1,300 a student for a course. Wall Street Prep, also used by most top business schools and more than 150 banks and financial firms, charges corporate clients as much as \$1,499 per student for a three-day course.

Darin Oduyoye, a spokesman for JPMorgan, said that the bank uses both companies for things like basic training for new associates and helping analysts prepare for licensing exams. "We also obviously augment these training and development opportunities with our own in-house programs," Mr. Oduyoye said.

In June, Chevron, ConocoPhillips and Exxon Mobil, and banks involved in the energy business, will send about 15 new or recent hires to a three-day course in New York run by Wall Street Prep on valuing oil and gas companies.

These programs are also courting ever-younger students, and their parents' wallets. In June, Training the Street will start a four-day Undergraduate Wall Street Boot Camp in New York and will charge students \$3,000 (not including accommodations) to learn the basics of financial modeling, valuation and analysis. Wall Street Prep, widely viewed as more intensive on analytics, sells CD-ROMs for \$39, for a basic Excel course, and as much as \$499 for a "premium package" detailing financial modeling.

With the sluggish economy and a hiring downturn on Wall Street, where the number of securities and commodities jobs had declined by 30 percent to just under 170,000 since the peak in 2000, students say the courses, which include interview preparation, are a practical necessity.

Even the boot camp industry is acquiring a brass-knuckled intensity, as the camps expand to business schools in London, Singapore and Dubai; to undergraduate finance clubs; and to liberal arts majors at Colby College and Smith College, among others.

Much of the curriculum is developed by people who once worked in the Wall Street trenches. Wall Street Prep employs nine instructors, all former junior investment bankers.

Scott Rostan, who founded Training the Street in 1999 after working as an analyst at Merrill Lynch's investment bank, has a small army of former Wall Streeters as instructors. "If all of your competition is taking an outside boot camp and you're not, you're going to be behind the curve," Mr. Rostan said.

Surry Wood, now in his last year of business school at the University of North Carolina, spoke of an internship at Barclays Bank in New York last summer and building an enterprise valuation model for a company. His Bloomberg terminal valued the company at \$5.7 billion, but Mr. Wood, using a Training the Street technique, came up with \$5.5 billion, he said.

When the managing director asked Mr. Wood to walk him through the calculations, "I just broke it down for him," Mr. Wood said. "That was a very good moment for me. By the end of the summer

he was kind of pounding the table for me.” Mr. Wood starts full time at Barclays as an investment banking associate in July.

As boot camp training becomes more common, a saturation effect could occur. If everyone is taking classes like Excel Best Practices and Restructuring Modeling, doing so may not make one candidate stand out in job interviews.

But Wesley Hansen said such a course was vital when he switched to a career in finance. He was a camera operator on reality shows like “The Bachelor” before graduating last year from the University of Southern California’s Marshall School of Business, where he took Training the Street courses.

“I had no clue how to use Excel, so it helped me get a job, no doubt,” said Mr. Hansen, who is now an equity analyst in California with the brokerage firm BMA Securities.