Monkey Business: Swinging Through the Wall Street Jungle Study Guide

Monkey Business: Swinging Through the Wall Street Jungle by John Rolfe (author)

Contents

Plot Summary

John Rolfe and Peter Troob were young, ambitious, and bright. Both had entered MBA programs at superior universities, and both were thrilled when Donaldson, Lufkin and Jenrette (DLJ) offered them permanent positions as associate investment bankers. They would enter the world of Wall Street with large salaries, bonuses, excessive expense accounts, and the dream of eventual seven-figure incomes as vice-presidents and/or managing directors. They would simply have to "pay their dues" as associates first, and that seemed a small price to pay for such a future. As they immersed themselves into their positions, however, it soon became evident that life as an associate was not as described during their interviews. Fourteen-to-sixteen hours a day, seven days a week, was the price, as they became the "slaves" to vice-presidents and managing directors who demanded research, pitch books, and prospectii, revisions of which occurred up until the final hours prior to presentation to clients. Slowly, realization dawned. They were not on a desert, crossing to the oasis of opulence; rather, they were in a jungle, swinging from tree to tree with every other associate investment banker on Wall Street, and the trees all began to look the same.

To numb themselves, Rolfe and Troob engaged in group therapy dinners with fellow associates, ordered in because no one could leave for the night, followed by drunken excursions to local strip clubs, once an evening's work was finally completed. Time for meaningful social activities and relationships was non-existent, and this was especially difficult for Troob, who had a significant other in Chicago whom he rarely saw. The exotic international travel at company expense, one of the perks they initially coveted, turned into burning through time zones, exhaustion, and sightseeing through the windows of cabs and limos. All-nighters were common, as superiors, from the comfort of their homes, called, emailed, or faxed constant revisions to documents, which associates then had to push through word processing and the copy center, using bribes to do so. Clearly, serious reflection was needed. Troob was the first to turn disenchantment into a search for another career, and he moved on to a management position with a hedge fund. Here he found normal hours and the opportunity to use his critical and creative intellectual skills to actually make decisions about investments. Rolfe's search was a a bit longer, but he, too, found a spot with a hedge fund. Both lead normal lives now, perhaps without as much "fruit" in their arms as those who have remained in the jungle. They do, however, have the time to eat it.

Recruiting: The Seeds of A Dream

Recruiting: The Seeds of A Dream Summary and Analysis

From lower Manhattan to midtown New York, the Wall Street investment banking machine "hums"(p. 8). Its goal is to pull business school graduates into its world and to thus secure "serfs and indentured servants" in the form of analysts and associates who can go after business. There are several top investment banking firms, and those who come out of the premier graduate schools with master's degrees, form the pool into which these "top dogs" dip. Fledglings come in as either analysts or associates, and they toil for vice-presidents and managing directors, in the following ways:

1. Analysts: Analysts are the lowest rung of the investment banking ladder and are secured as new graduates with bachelor's degrees, from business schools all over the country. For two to three years, they labor under harsh and abusive conditions with no hope of advancement, but with higher salaries than they thought ever possible. Because their path is a dead end, however, they either leave the profession altogether or enroll in top graduate schools so that they may return with MBAs. The fifty per cent who leave the profession are angry, burned out and exhausted, having hated their work and their superiors. The fifty percent who return after graduate school do so because, having paid their dues, they can not become associates.

2. Associates: Believing that their lot will be better than that of analysts, new and returning associates arrive with goals of moving up. As in any organization, however, the positions available are fewer as one moves up. Associates find their work no less demanding but they are able, at least, to keep their anger and frustration upon the analysts. Many leave to take positions with clients; many just leave. The turnover rate, therefore, is high, and there is always new "meat" exiting graduate business school programs.

3. The Others: Vice-presidents and managing directors form the upper echelons of the investment banking pyramid. If an associate sticks it out and "sucks up" to the right people, he/she may be promoted to a vice-presidency and, ultimately, a managing director. To get to these heights, associates must absorb the abuse and long hours without melt down. A typical investment banking firm has plenty of vice-presidents, fewer managing directors, and even fewer senior vice-presidents. The six and seven-figure incomes come at the managing director and senior vice-presidency levels.

The Breeding Ground - Business Schools

Graduate business schools are the incubators of Wall Street associates. Originally selecting only from the "Cadillac" schools (Wharton, Harvard, Columbia), the demand has grown, so that graduates of "tier 2" schools now occurs. Students in graduate schools of business know the "score." Most have been analysts and are ready to return to the grind of Wall Street. Most business schools carefully indoctrinate their new graduate students into the "money culture."(p.12), providing statistics regarding the salaries of those graduates from the previous year, as well as the six and seven figures that come with perseverance.

John Wolfe entered Wharton and soon came to learn that, among seven hundred and fifty classmates, competition and undermining others was the way to reach the top. Co-author Peter Troob entered Harvard that same year, and, eventually, they would meet and agree that things were pretty much the same at both schools. Troob, however, was one of the minority who had sworn off investment banking, with the "sixteen-hour days, the people who had institutional authority to kick my ass, the extra ten pounds I had put on since college, and my nonexistent social life...I promised myself that I would find a more rewarding career, one that made me feel good about myself. One that cleansed my soul instead of soiling it.(p.15-16). Troob had spent a summer as an "intern" analyst, and was disenchanted. Alas, he did not keep his promise to himself and was sucked right back in by the lure of money and prestige.

Presentations and Cocktail Parties

Recruiters began their "mating dance" as soon as school school began in the fall. Those students who were due to graduate with their master's the following spring were the prizes of this "dance." Visiting each school, the pattern was a presentation followed by a question-and-answer period, followed by a lavish reception with food and flowing booze. Interviews were eventually awarded to a small number of students, and only to those with prior banking experience. Rolfe, with no banking experience, would need to secure a position with a bank in the summer between his two years at Wharton. Troob already had the requisite experience. Both hit the interview trail hard.

Interviews and Ecstasy

Interviews and Ecstasy Summary and Analysis

The summer between the two-year master's program in business schools is critical. It is during this time that students secure summer employment with the firm they eventually wish to join. To land a position, candidates must endure a weekend-long series of interviews with several firms, in three segments, each one a potential knock out. Troob was on easier ground because he had served his time as an analyst and could speak intelligently about investment banking. Even so, during his second round, he was eliminated by a few of the more prestigious firms, eventually accepting a position with Donaldson, Lufkin and Jenrette(DLJ), a newer but very aggressive "kid on the block." Rolfe, by contrast, knew little abut investment banking, and was quickly rejected by all firms during the second round. A recruiter from DLJ, however, who had a penchant for "clubbing," had a chance encounter with an attractive female friend of Rolfe's on Saturday evening of the interview process. Using her obvious physical attributes and charm, she convinced the recruiter to change his mind and offer Rolfe a position with DLJ.

The personal accounts of the interview process by both Troob and Rolfe are filled with humor and satire and certainly portray not only their personalities but those of the recruiters as well, certainly not in the most favorable light. The reader is certainly given hints of what is to come, as these two men begin lives in the investment banking business, and it does not appear that they will be content in their chosen career.

Summer Boot Camps

Summer Boot Camps Summary and Analysis

Nine summer associates sat around a table at DLJ in May, ready to hit the ground running and looking forward to a permanent offer by fall. If they could "kiss a lot of rumps and get those managing directors on our side, the we'd be shoe-ins for full-time offers" (p. 42). Because every managing director was acutely aware of the desperation of summer analysts, moreover, it was easy to turn these recruits into little more than indentured servants.

The Bullpen: The area in which summer associates lived was known as the "bullpen," an area away from the main business activity in which each summer associate was issued the same desk, filing cabinet and chair. The area was in disrepair - unpainted, poorly carpeted, and housing no amenities or personal effects. The group was expected to work around the clock, if necessary, to fulfill all assigned tasks and responsibilities, and the pen was rarely empty, day or night. Rarely did managing directors or vice-presidents visit the pen in person. Their orders were given by phone, perhaps because they were a bit fearful of the response. In the pen, associates cursed these superiors.

Eagerness and Fear: Troob and Rolfe actually met when Role was given his first assignment to develop a "buyout model" and "multiplication factors" for a company looking at purchasing a medical supply company. He was clueless and finally enlisted the assistance of Troob, who could translate investment banking rhetoric. Rolfe would be in his debt for the remainder of the summer, but, in fact, they became fast friends.

The Social Scene I: First Night Out. Planned social activities, usually one a week, were mandatory and ranged from informal barbecues to black tie dinners. The first week's event was dinner in a local dive and a night of clubbing, accompanied by three female assistants assigned to the summer group. A permanent associate, named Ferrano, became completely drunk and was so vulgar in behavior, that the summer associates were appalled. At the time, moreover, they did not realize that, in the future, they, too, would lose good judgment and behave similarly.

The Social Scene II: Dinner with the Chairman. A black-tie dinner with Chairman Dick Jenrette was more than mandatory - it was critical for survival. Following lavish hors d'oeuvres and an exquisite dinner, associates were permitted to ask questions of Jenrette. One associate, who had pulled two all-nighters just prior to this dinner, asked a question and promptly fell asleep during the answer. Jenrette did not react, perhaps demonstrating to the summer interns that there was at least one gentlemen within the DLJ organization. Of course, he could afford to be.

Kinetic II: For most associates, the summer consisted of the development of "pitches" for the permanent folks. These "pitch books" are prepared so that vice-presidents and managing directors can secure investors and deals. Pitches often involve convincing people with money to buy businesses, re-invigorate them and then sell them at a sound profit. Each prepared "pitch" was an attempt to convince a potential buyer to purchase a specific business. Significant research was required, and this was completed by analysts or, in the case of summertime, the MBA students in the intern associate program. One managing director, nicknamed "Bubbles," was a tyrant with a Napoleonic complex sprinkled with a good dose of paranoia. His pitch books had to be thick and include detail that would never actually be read by potential clients. All of his pitch books had code names and required complete secrecy on the part of any analyst or associate working on them. Kinetic II was one such pitch book. It was so complex that five analysts and summer associates had been assigned the task of development. Rolfe, who had made an early name for himself in pitch book development, became the primary "gofer" for Bubbles. The book was produced, highlighting twenty diversified companies and involving all-nighters, horrible stress, and frenzied last minute changes. In the end, none of the money men was sold. At this point, Rolfe should have realized that his profession was a poor choice, but he did not. Even though both Rolfe and Troob became thoroughly disenchanted with DLJ, they vowed to work for a permanent employment offer, if only to make themselves more attractive to other firms which might prove better. What they had not realized, however, was that DLJ needed associates so badly, it was willing to fully sweeten the pot to get them

The Courtship

The Courtship Summary and Analysis

Troob was the first to receive visiting recruiters after his return to Harvard. Two senior bankers for DLJ arrived in October. "I was a project to them, just another deal that they needed to close. I was a steer and these were the two cattle ranchers rounding me up. They waited to brand my ass with a hot iron. Looking back, I had no chance"(p. 78). Ed Stan was wealthy, owned exorbitant personal residences, played golf, and had a beautiful wife. Les Newton was young and a whiz kid, also with great wealth and a lavish lifestyle. Once Troob was filled with booze, steak, and a visit to a strip club, he was an easy mark. Accepting the offer, he immediately received a sign-on bonus, a healthy sum to be used for relocation, and a paid trip to New York to meet his new "family" at DLJ. Rolfe had the same experience, and both convinced one another that they had made the right decision. After all, returning to DLJ in a more senior position would certainly mean less back-breaking labor. Nothing could have been further from the truth.

Training Wheels

Training Wheels Summary and Analysis

Associate training began in mid-August and appeared to have as its only goal the induction into a lifestyle of "limousines and expense accounts." Nothing new about investment banking was truly imparted. Rolfe and Troob soon discovered that all new associates had been told they were the "golden child" who would be nurtured and protected. During this three-week training period, various heads of departments each explained their little piece of the DLJ enterprise. Overall, however, training focused on an associate's purpose for being. He/she were not paid to think, but, rather, to produce lots of factual data that would make companies look good ,so that the large investors would want to acquire them. If the deal is brokered successfully by the managing directors, the associates then have more work to do, and the hours would be long.

As ominous as the job may have looked, however, the new associates were wined and dined at company expense throughout the training., and this they enjoyed. Rolfe and Troob had a moment of clarity about the impending pain and doom, during one rather drunken evening with some loose-tongued older associates, but they were too drunk to remember enough the next day, and certainly were not ready to take any action to get out.

The Food Chain

The Food Chain Summary and Analysis

The organizational chart of an investment banking firm looks like a pyramid. At the top, the few managing directors scour the market for business, including encouraging companies to do an IPO, to buy other companies, or to sell them, to raise money through bond offerings - whatever will bring a big fee. The second tier, that of senior vice-president, was charged with attempts to bring in some business, but, most often, to direct the projects named by the managing directors. They make huge salaries and are beginning to have the time to enjoy them. Junior vice-presidents, comprising the third tier, are unhappy people. Because their tasks involve much of the detailed processing work, they typically endure fourteen to sixteen hour days with little time to enjoy their hefty income, usually around five hundred thousand a year. Though they dream of a balanced life, they are trapped. No other profession would pay them as much.

Associates: There are numerous associates in any large financial investment firm, and "their lives suck" (p. 93). Angry, repressed vice-presidents unload on them relentlessly. Because the vice-presidents contribute to decisions about raises, bonuses and promotions, however, associates take the heat and produce. Like vice-presidents, moreover, they are essentially unhappy.

Analysts: Lowest and most numerous, analysts exist to do the bidding of associates and junior vice-presidents. They may prepare charts and graphs, conduct research and run errands, and most do so for the experience to be gained before moving on to graduate school or to other firms.

In sum, the large investment banking firm is just one part of the really large financial corporations. Beyond the money brokers of financial corporations are more firms which make up the "Wall Street universe." The associate in investment banking is just a piece of dust in the large picture.

The Business

The Business Summary and Analysis

An investment banker provides two services. He gives financial advice to companies, and he finds money for companies in need. When the money flows, the banker gets a cut. For these services, the average investment banker at the upper level makes an average of $750,000 a year. Considering that bankers merely match those who need with those who have, it seems a bit much. Another factor to be remembered is this: as information is more easily accessed and communication more easily achieved, the role of the "matchmaker" will probably diminish, and the fees will diminish proportionately.

Advisory Work: From its inception, the relationship between an investment banker and a specific business or corporation has been one of advice-giving. The banker recommended certain financial moves, such as merger or acquisitions, and occasionally assisted organizations in development of financial plans and strategies. A few continue to do this today, but the accessibility to detailed information about any company has meant that the investment banker no longer has the "inside scoop." Today, advice has been replaced by bidding on fees for sales and purchases of companies. If a corporation decides to sell a subsidiary, for example, it contacts several investment bankers for their fee bids, eventually selecting the winner. The winner then creates an attractive information booklet about the product, distributes it to all potential buyers, and hopes for a deal. When deals are few and business slow, competition increases, and investment bankers beat the bushes for potential customers.

Capital Raising: A growing business needs money to expand. Investment bankers assist by seeking and securing investment capital for growing businesses, receiving a hefty fee based upon how much they raise. Variations on this theme involve finding investors who are willing to assume an equity position in the company, usually with a provision that the investor gets the company if the debtor defaults on the loan. Investors are usually mutual funds, hedge funds, pension funds, etc. To cut their own risk, investment bankers now wait until they have the capital from others rather than providing the money up front and then trying to find investors later. The fee (spread) charged for brokering such deals varies, dependent upon the size of the deal. Spreads are generally "fixed" by agreement among all competitors, but that is changing as smaller regional banks enter the playing field as competitors.

The Sizzle

The Sizzle Summary and Analysis

As competition for business tightens, a great deal of emphasis is placed on the "pitch" developed by investment bankers vying for a deal. The "pitch book" is actually developed by associates, under the direction of vice-presidents, and must be designed to beat the competition. Creating one is tedious punishment. Beginning with the optimistic notion that his or her pitch book will be stellar, the associate ends up "realizing that the pitch book is an unholy creation, a mixture of three-week old potted meat and smelly cottage cheese with just enough curry powder needed to cover the latent rottenness" (p. 110). The four main sections attempt, first, to glorify the company whose business the banker wants, and second, to give the client an overview of the health of the specific market related to the current deal pitch - equity, bonds, merger, acquisition, etc. The third section, valuation, gives a forecast of how much money the client stands to make as a result of the deal, obviously the "main course" and the only significant section for the potential client. The fourth section, expertise, extols the value of the investment banking firm, focusing on quantity of deals as opposed to quality. The potential client must believe that the firm with the pitch is the best there is, and a great deal of half-truths and "spin" are utilized.

Because managing directors do not typically look at a pitch book until a day before the presentation, associates can plan for an all-nighter making last minute changes. Only one in ten pitches typically won a deal, and any ended up in the "never land" of "no decision reached." In these cases, the most persistent managing directors refused to let go and made the lives of associates miserable. One such managing director was a fellow nicknamed "Gator," a man who would not allow a pitch to die. Like a pit bull, he demanded change3 after change in the pitch books, so that he could return to a tepid potential client and re-pitch. Rolfe was assigned many of Gator's pitches, and it was pure torture for him.

Fishing For Value

Fishing For Value Summary and Analysis

Valuation is the process of assigning a monetary figure to a business for sale or purchase, or the value of bonds to be sold, etc. In a perfect financial world, value is determined by comparison to other like products, to actual assets of a company or to market trends. In the investment banking world, however, just the opposite occurs. A managing director or senior vice-president decides in advance what the value must be in order to seal the deal, and then demands that the associate meet that value figure with whatever creative methods he may need to use. Two of these methods are as follows:

Comparable Multiples Analysis: This method of valuations involves finding "comps," or businesses of the same nature, and then valuing the company in question according to those comps. If the comp values were not high enough, analysts were told to look for companies with greater value and "force" a comparison.

Discounted Cash flow Analysis: This process of valuation is "the granddaddy of all crocks of shit" (p. 124). Here, the analyst projects profit margins well into the future and uses those to "pump" up the current value. After all, if a company is expected to grow eleven per cent a year, it is a good buy. The only goal is to meet a valuation with which the client will be happy, and over and over again, clients buy companies or stock in companies at hugely inflated prices, banking on projected future values given them by pitch books.

It is the job of the research analyst to come up with data and analysis that supports the valuation given to any company, its stock, or its bonds. In theory, the analysts are to provide an objective valuation analysis; however, in fact, they are simply extensions of the vice-president's and directors and must come up with appropriate support if they wish to remain employed. If a company or stock is too overvalued, however, the market will eventually show it, and that will be a "black mark" for the banker who consummated the deal.

The Merry-Go-Round

The Merry-Go-Round Summary and Analysis

The word processing involved in every pitch book development is phenomenal. Each step of the way, documents are sent to the department, returned to the associate, reviewed, sent to the vice-president or director, revised, returned to word processing, and on and on and on. This continual receipt and return of documents occupies forty to fifty percent of an associate's time during the pitch development process, and woe be unto any associate who made enemies in that department. Most word processors were "wanna be" actors, singers or dancers, and were paid $20 an hour to perform tasks they neither liked nor attacked with gusto. To illustrate the merry-go-round of word processing, review and revision, Rolfe and Troob give an example of a pitch book development for a telecommunications company, as follows:

Once the data was in, the various parts of a pitch book were developed. As Rolfe completed each portion, it was sent to word processing. Back from word processing, it was reviewed and revised, again being sent to word processing for changes. As it then moved up through vice-president, senior vice-president, and, ultimately, the managing director, it was revised at each level, being sent back to word processing five or six times. Not only did these upper echelons want to revise wording and structure, they continued to request new charts and graphs, changes in colors of existing graphs and charts. The final draft of the pitch book was completed approximately twelve hours prior to the presentation, but Rolfe's work was not yet completed. The final draft was then sent to vice-presidents who, now in the comfort of their own homes, would continue to make changes and send them back. Rolfe's job became to push those final revisions through word processing and to see that the final copies of the books were completed by the next link, the copy center, in time for the bosses to receive them when they came in well-rested the next morning. For Rolfe, there was no sleep. The question for the reader becomes why? Why would an individual submit to this type of lifestyle, clearly frustrating, anger-producing, and certainly exhausting?

The Bottleneck

The Bottleneck Summary and Analysis

It is surprising to the lay person that an entire chapter of a book about investment banking would be devoted to the copy center, but, according to Rolfe and Troob, their success was very much tied to this department. The copy center at DLJ is an outsourced department, but the workers are treated like kings and queens. To get on their "bad side" is to commit suicide. They work twenty-four hours a day and must provide the entire production process - billings, inserts, colors, etc - of every pitch book produced. The documents typically arrive twelve hours before the presentation and, if an "incorrect relationship exists between the delivering associate and the copy center personnel, the books will be be produced by deadline. Establishing the right relationship with the copy center is simple. The smart associate sends pizza or deli sandwiches quite often and delivers a case of beer every now and then. At Christmas, a bit of cash is always well-received. In this way, an associate who arrives at 2:00 a.m. with a need for pitch books by 7:00 a.m., the job gets done.

All pitch books have to be proofed when finished and, often, pages are out of order, or colors are wrong. When mistakes are found, moreover, one has to guarantee corrections by bribery, sometimes involving promises of lap dances at the local strip joint. This situation is just one of many things associates are not taught in their glorious business schools or during the training process. In many instances, they learn the hard way, by not coming up with the appropriate bribes over time.

The Holiday Party

The Holiday Party Summary and Analysis

Rolfe and Troob were certainly not enthusiastic about their work at DLJ during their first months of employment. The endless road of developing pitch books, bribing word processors and copy center folk was not what they had signed on to do. Days became a routine, beginning about 9:00 a.m. but lasting well into the night and divided into four parts. The period before lunch was spent checking the returns from word processing, copy center or analysts. After lunch time was filled with meetings with vice-presidents, managing directors, potential clients or actual clients. These meetings were generally disliked and dreaded, because ideas were generated which meant more work.

The real work began after the vice-presidents and directors were gone for the night. This was a time when associates first got together for dinner, to vent and to complain about their superiors. Rolfe and Troob came to see these dinner sessions as group therapy. Once dinner was over, the associates entered their "creative time," during which pitch books were developed and comps updated. If no pitches were due the next day, an associate could leave by midnight. Essentially, an associate could expect to spend one hundred of the one hundred sixty-eight hours of any week at work. Associates produced, to be certain, but they were perennially tired. In return, DLJ came up with money for them. Expense reports were never questioned; travel was first-class; social events were lavish.

The holiday party was the most lavish and important social event at DLJ. The firm secured an entire top floor of a large office building, which housed two ballrooms and several small more intimate gathering rooms. Huge amounts of booze and food were consumed, as party goers chose between the full orchestra of one room and the disc jockey in the other. The younger crowd, associates and below, invariably chose the DJ, becoming braver in dancing and propositions as drinks were sequentially consumed. As inebriation hit the upper levels in the alternate ballroom, some managing directors, unencumbered by wives, wended their way into the DJ room, looking for young, attractive female banking assistants or clerks. In all, the holiday party had all of the elements of decadent wealth and debauchery. Rolfe and Troob participated fully, although the following day, Troob, in regret, began to exhibit "dangerous" characteristics of "developing a conscience." That was troubling to Rolfe. "I could see that Troob was starting to get that look in his eye that you see in your friends right before they leave the bachelor brotherhood" (p. 175). Troob had fallen in love with Marjorie who, residing in Chicago, was unaware of his clubbing antics in New York.

Drafting

Drafting Summary and Analysis

Bankers' meetings were a "must" for conducting business. They were long, absurd, and often out of control, seeming to reflect the characteristics of a "new generation of bankers." Before the Depression, investment banking was a simplistic activity. Small, independent bankers sold securities to customers, packaging them in attractive "wrappings." If the investor made money, he came back for more; if he failed to realize a profit or, worse, lost money, he did not return to that banker for future business. Prior to the Depression, bankers sold bad securities to investors with abandon. Lack of regulation allowed this to continue until the bad securities could not be sold anymore. The 1929 crash was the result. One of the regulations put in place to prevent the recurrence of this was the establishment of the SEC, which was to approve the value and subsequent sale of all new securities.

Following the new regulations of the Depression era, investment bankers have had to make a "filing" with the SEC whenever a new issue of securities is to occur. The SEC approval is not truly an approval. Rather, it is simply a statement that it does not disapprove of the new issuance. To receive this "double negative" approval, bankers "package" new issues in the best possible manner; however, the filing then becomes a paper trail which can be used against the banker if the new security is not all it is claimed to be. To promote new filings in the best possible manner, bankers hold drafting meetings, at which brochures and optimistic data are designed for both the SEC and potential investors. The finished product is called a "prospectus," and it must tout the issue favorably and yet "cover everybody's ass" (p. 180).

Associates are expected to attend all drafting sessions of an issue for which they will be developing a pitch book, and the meetings are long in both hours and days, involving large numbers of "players." - vice-presidents, managing directors, and representatives from the company for which the prospectus is being developed. Both the banking firm and the company have their attorneys present, so that "spin" and half-truths will not get their clients into legal difficulty.Accountants employed by the company crunch the numbers and typically crunch them as the company tells them to, if they wish to remain employed. The associate's job during the five- to ten-day drafting session was usually very simple - presence as a part of the team of solvent, "well-heeled" folks. The other responsibility was to put the prospectus in the format used by the investment bank for which they worked. Both Rolfe and Troob had their fair share of drafting sessions, all of which were equally and "utterly forgettable" (p. 192). Selling the new issue is an elaborate process of expensive suits, private jets, and the best dining establishments and hotels, all to give the impression of big money. The prospectus is distributed, the praise of the new issue is given, and, with enough "ass-kissing," investors are secured.

A prospectus has specific sections "dictated by tradition and regulatory mandate"(p. 185). There are ten sections, each designed to provide a potential investor enough information to make a wise and reasoned decision. The first section, or summary, comprises a capsule description of the company, turning it from mediocre to a standout among competitors. The second section, the "risk factors" one, is tricky, but if enough extraneous information is piled in, the significant risk factors are minimized, and everyone's butts are legally covered. Potential investors rarely read beyond the first two sections but, rather, rely on the oral sales pitch of the investment banking firm to clarify and summarize the worth, revenue, management, current other shareholders, and accountants' financial statements.

Push the Button

Push the Button Summary and Analysis

The trip to the printer is a critical one and takes priority over all else than an associate may be assigned. Prospectuses always go to the printer rather than the copy center because they must look thoroughly professional. Excess is again the mode of operation. Far more copies are printed than necessary, and the colors must be the brightest. The associate who accompanies the proofs to the printer spends a lengthy amount of time. First, representatives from all involved parties are there, still revising, as the final draft is developed. The associate must wait, and during that wait, he drinks a lot of beer, orders expensive food, and watches his favorite television programs, checking font, underlinings, and italics. It is true "down" time for the associate, who loves going to the printer. The final revision is eventually presented, the associate again checks the "look" and gives the order to "push the button."

Travel

Travel Summary and Analysis

The "road show," an activity to engender awe and enthusiasm in prospective investors, begins once the prospectuses are ready. Travel with a road show, however, is nothing like the one-day, stress-filled jaunts to check on clients - no bag check, hailing cabs, and often taking a red-eye back to New York. Road shows can last two weeks and involve several countries as well as numerous domestic cities. Preparation for a road show involves videos or slide presentations, memorized scripts, and several rehearsals prior to hitting the road. The associate's preparation tasks involve booking all flights, hotels, ground transportation and dinners, scheduling meetings with potential investors, and carrying all presentation materials and equipment. Every flight, hotel room, limousine and meal must have a backup, just in case, for no appointment could be tardy or skipped.

Rolfe spent a lot of time in foreign countries, as his company had originally promised. Unlike those promises, however, the trips came with no social or cultural activities. He saw the Eiffel Tower from the back seat of a cab. Because most European investment institutions were headquartered in London or Paris, these were the most frequent stops. Often, moreover, the team left New York, hit London in the morning, Paris in the afternoon, and returned to DLJ just in time for the next work day. Due diligence trips, that is, visits to overseas corporations that were attempting to sell bonds to investors with DLJ's help, were worse. Rolfe detailed one such trip as an example - an eight-day trip to validate a company with offices in Toronto, Dublin, Paris, Innsbruck, Warsaw, and Mexico City. At each site, he was forced to sit through mundane presentations, often falling asleep because of jet lag, and then had the task of converting sparse notes into a recommendation that DLJ promote the securities. He returned exhausted, largely uninformed, and thoroughly disenchanted with the "perk" of travel.

Bonuses, Reviews and Compensation

Bonuses, Reviews and Compensation Summary and Analysis

The end of each year at DLJ was marked by performance reviews, and these reviews determined annual raises, promotions, and bonus amounts. All associates eagerly awaited their reviews, not for the "nice" words relative to performance, but, rather, for the amounts of bonus and salary raise. DLJ was typically the last investment banking institution to hold the reviews, because its policy was to see what the industry was generally giving and then to increase those amounts by just enough to keep their associates on board. A check with friends in other institutions usually gave DLJ associates a fair idea of what their packages would be, but they were sworn to secrecy about their own, once received. A few associates had agreed to divulge their packages to one another, and, among them, the flattery and promise were consistently the same, as were the bonuses and increases. It became clear to Rolfe and Troob that they were nothing more than commodities to be used and held in place by just enough compensation to woo them.

The Epiphany

The Epiphany Summary and Analysis

For Troob, the disillusionment came gradually. He was unable to see his girlfriend much and often had to cancel rendezvous plans because of work. He no longer had the time to work out and was gaining weight regularly. He began to feel guilty about the debauchery in which he participated. His life was deteriorating. For Rolfe, the disillusionment came in the wee hours of the morning, as he realized that he had hit a new low, masturbating at work because he had no life outside of the hellhole in which he found himself. He clearly saw many of the older bankers now - unmarried, lecherous, and perverted - and he was on the same path. The final realization hit as he showed an older banker how to access porn on his computer. This was the end. Rolfe had degenerated into someone he no longer recognized with a future he had never wanted.

The Last Straw; Liberation

The Last Straw; Liberation Summary and Analysis

Troob's realization of the need to move on came more slowly. Now engaged to Marjorie, and anticipating her move to New York in a few months, Troob realized that he would have not life with her, so long as he remained in the investment banking business. As well, he was selected to engage in recruitment of new associates at his alma mater and found himself lying to potential employees just as others had lied to him. Soon afterward, a planned vacation with Marjorie had to be canceled for a road show.

Troob had to find a new career. Secretly, he began to interview in the early mornings and on weekends and finally landed an offer from a hedge fund group. Informing DLJ of his departure was not easy. Troob was called into meetings, during which his virtues were extolled and the big plans for his future outlined. When this tactic failed, he was given a litany of the dangers of hedge funds. Once this failed, he was told to vacate the premises immediately. It took Rolfe a little longer to find a new position, but, when he did so, the same tactics were applied. Neither Troob nor Rolfe had any regrets. Both felt used, abused, and ten years older, mere gnats in a system filled with overwork, personal compromise, and greed.

Characters

John Rolfe

With a bachelor's degree, John Rolfe entered the field of advertising and earned $17,800.00 his first year. When he entered Wharton to pursue an MBA, he was astonished by the positions and beginning salaries earned by the previous year's graduation class. Clearly, he was ready to participate in this new climate. Having no understanding of investment banking, he managed, through the assistance of a female friend, to secure a summer internship position with Donaldson, Lufkin and Jenrette (DLJ), a large Wall Street firm. He was a quick study, with the help of fellow intern Peter Troob, and landed a permanent offer once he completed his second and final year at Wharton. Filled with optimism and enthusiasm for his new chosen profession, Rolfe entered the world of of DLJ, convinced that once he put in his time as a lowly associate, the climb to vice-president and eventually managing director, would seal his future dreams of an opulent lifestyle. Within a few months, however, Rolfe came to realize that life as an associate was anything but glamorous, and he slowly descended into questionable tactics, horribly long hours, and a social life of strip clubs. When best friend Troob left for a more intellectually-challenging and far less stressful position with a hedge fund, Rolfe knew he had to do the same. Now out of the investment banking sector, Rolfe believes he has returned to sanity and a balanced life.

Peter Troob

Peter Troob had already served some time in the investment banking business when he enrolled in Harvard School of Business to complete his MBA. He joined the summer intern class at DLJ between his two years at Harvard and soon became a close friend and helpmate to John Rolfe. Like Rolfe, he, too accepted a permanent position with DLJ, as a full-time associate, once his MBA was obtained. Like Rolfe, Troob believed that, once an associate had "served his time," climbing the ladder to managing director was fully possible. Troob's first year was much like Rolfe's, full of long hours, degenerate social activities, and complete subordination of one's life to the demands of his superiors. Unlike Rolfe, Troob had a girlfriend, a young lady who lived in Chicago and with whom he wished to establish a permanent, long-term relationship. His decision to leave DLJ was as much a factor of his inability to find time for Marjorie as it was his sequential fall into the abyss of typical associates' lifestyles - strip clubs, drunkenness, weight gain, exhausting travel, and loss of pride in oneself. Troob began a confidential search for a career change through local headhunters and eventually landed a position with a hedge fund. Here, he came to be valued for his intellect and decision-making abilities, settled into a normal work day, and gained back his sense of personal worth.

William DeBenedetti

Nicknamed "Bubbles" by the DLJ associates, William had moved to DLJ from Lehman, receiving a promotion from vice-president to managing director by doing so. His area of responsibility lay in acquisitions, that is, finding businesses to buy for clients who had the money to buy them. This process involved the development of "pitch books," lengthy treatises which extolled the virtues of companies that potential buyers should consider. He was rather unanimously hated by all associates, because, once an associate was assigned to one of Bubbles's projects, he could expect to be working seven days a week, at least sixteen hours a day, and to be the recipient of vitriolic temper tantrums and anger-induced tirades. Bubbles was a small man who clearly suffered from a Napoleonic complex and a paranoia which led him to believe that even his cell phone calls were potentially tapped. His projects and companies included in his pitch books, therefore, all had code names, a fact that made him the brunt of continued derisive jokes among associates.

Jack Gatorski

Nicknamed "Gator," because of his unwillingness to allow any potential deal to die, Gatorski was a "rail of a man who looked something like a retarded scarecrow. His crowning glory was an egregious pointy tuft of hair on the top of his head that made him look as if a flying squirrel had just used his cranium as a landing strip." (p. 115). Gator's persistence had become rather a legend on Wall Street, and, even though a potential client had said "no" many times, Gator always returned for one more try. The associates hated him for this quality, for it became their job to rewrite pitch books over and over, so that Gator could return with the same "deals" to the same potential clients over and over again, no matter how futile the exercise was.

Mike Stevens

A classmate of Troob at Harvard, Stevens was compulsive, obsessive, and manic-depressive. He had also been an analyst at Kidder Peabody with Troob before entering Harvard Business School. Stevens was probably the most focused and motivated individual Troob had ever known, and his performance at DLJ was no different. It was not unusual for Stevens to be working on five deals at a time, while others were drowning on one or two. His "dark side" was well-known as well. Given to tirades of temper, he often destroyed telephone handsets. He was perhaps the one individual of all new DLJ associates who was ideally suited for a career in investment banking.

Perrentazzi

Though his first name is never revealed, "Slick," as he was called, had investment banking experience before coming to the summer intern program and, eventually, to full-time employment as an associate with DLJ. He was a member of a close-knit group of buddies which included Rolfe and Troob, and endured the same lifestyle. Eventually, Slick followed the lead of Rolfe and Troob, accepting a postion in another Wall Street sector.

Rod Ferramo

Rod was one of the original interviewers of Rolfe at Wharton and had been wooed by a female friend of Rolfe's into giving him a chance in the summer intern program. Ferramo was a vulgar drunk, who spent "egregious" amounts of money in the pursuit of carnal pleasures.

Dick Jenrette

Jenrette was one of the founders of DLJ and was a "legend" on Wall Street for having salvaged The Equitable in the 1990's, the parent company of DLJ. A man of gentlemanly persuasions, he represented the more mature, conservative side of investment banking.

Ed Star and Les Newton

These two men were in charge of some of the employment efforts to sign on those summer intern associates that DLJ wanted to employ full-time. They traveled to Harvard and spent a day wining and dining Troob, finally convincing him that their lifestyles would be his in sort order if he would just sign on. He did.

Isaac Johnson, Mike Roganstahl, Deepak Verma

These three associates, along with Rolfe, Troob, and Slick, made up a "comrades-in-arms" group that regularly worked and ate together at DLJ. Their nightly ordered-in dinners provided a support meeting during which they continued to convince one another that the "dream was still alive, while we collectively came to the dawning realization that we were investment banking automatons....dinner was our group therapy." (p. 158)

Objects/Places

Wall Street

Famous street in New York City and home to the stock exchange, investment banks, and a host of other financial institutions.

DLJ

Short for Donaldson, Lufkin & Jenrette, the investment banking firm for which Rolfe and Troob went to work.

Pitch Book

Description given to a large publication, created primarily by associates, which was used to convince potential clients (investors) that they should consider acquiring or investing in specific companies.

Prospectus

A beautifully-printed brochure extolling the virtues of a company which is attempting to lure investors. Designing and printing a prospectus involves a wide variety of individuals; however, the final printing is the responsibility of the assigned associate

Analyst

the lowest cog in the investment banking pyramid; analysts have little chance of advancement unless they quit and return to a premier business school

Associate

the tier in the investment banking pyramid just above the analyst. Associates are hired with MBA's from prestigious schools and, if they are willing to pay the price, may move up higher on the "food chain."

Vice-president

the tier above associates. Vice-presidents have paid their dues and now dump work on associates

Managing Director

The top of the "food chain," just under the officers of an investment banking firm. They call the shots, dump on the vice-presidents, and allow the vice-presidents in turn to dump on the associates

IPO

Initial public offering. A company that wishes to become a public corporation offers stock for purchase, often through the middleman of an investment bank.

Comps

A method of assigning value to a company by comparing it to others that offer similar products and/or services

Discounted Cash Flow Analysis

Abbreviated as DCF, this method of establishing the value of a company includes projecting its future earnings; used significantly for new companies with no revenues to compare to other like companies.

Themes

Money vs. Happiness

As old as time, this theme is apparent throughout the book, Monkey Business. John Rolfe and Peter Troob, along with their fellow MBA graduates, are enchanted with the idea of moving into careers which promise huge income and are therefore committed to doing whatever it takes to becomes successful in those chosen careers. Corporations and financial institutions which employ them, moreover, are only too happy to accommodate their desires. A symbiotic relationship is thus formed, albeit woefully one-sided. In return for obscene salaries and promises of a concurrent lifestyle, investment banking associates must virtually subordinate all aspects of their personal lives to the demands for production of pitch books and prospectuses. The question becomes as follows: How much personal happiness is one willing to defer in the pursuit of money and for how long is one willing to sacrifice happiness in order to reach a career point at which sacrifice is no longer necessary? For Rolfe and Troob, the answer was one year. Thoroughly exhausted and realizing that they had "sold their souls," both came to realize that servitude was too high a price to pay. Rejecting the promises and ultimate threats of their superiors, both bailed, in favor of positions which allowed a superior balance of work and personal life, and both state that they have no regrets.

Self-Respect

Self-respect, as defined by Rolfe and Troob, is the ability to look oneself in the symbolic mirror and be satisfied and content with the image that is portrayed. Those individuals who have strong ethics and live by worthwhile principles generally have self-respect. Those who compromise personal ethics and principles, lose their sense of self and thus respect of self. Those who remember who they once were experience regret and, often, guilt. The descent of Rolfe and Troob from optimistic, enthusiastic newcomers to the investment banking world, convinced that they would be major players and accomplish great things, to the realization that they were mere gnats in a system rife with greed, excess, and less-than-ethical standards, is a detailed account of their concurrent loss of self-respect. While they navigated through their first year as associates for DLJ, these young men gradually immersed themselves in drunken partying, strip club adventures, "spinning" information about companies in order to snag potential investors, dragging themselves from one pitch book and prospectus to the next, allowing superiors to use and verbally abuse them, and essentially losing themselves in the pursuit of large salaries and bonuses. The realization that they had "sold" themselves to an unholy career, dawning gradually at first, came to a climax as each came to terms with his sad, sordid life and could tolerate no more. Escape from DLJ was a liberation for both, as they secured new positions in which their intellects could flourish and their senses of worth could be re-established.

Balance in One's Life

Quality of life demands balance, and balance typically entails one's work, one's play, and one's spiritual/intellectual development, and one's rest. For John Rolfe and Peter Troob, life was clearly out of balance, as they swung through the jungle of investment banking. Work demanded sixty per cent of their lives, and little was left for other pursuits. Play became the few corporate events and frequent trips to strip clubs after an eighteen-hour work day. Rest was subordinated to the extent that both were perennially exhausted. The work itself provided no spiritual or intellectual growth, as their independent thought was subordinated to the demands of vice-presidents and managing directors, who wanted nothing more than pitch books and prospectuses, all following the same format and all created in functionally the same manner. This lack of balance resulted in two individuals who had lost themselves, who no longer could define themselves as balanced individuals. They had become automatons, "monkeys," as they called themselves, swinging through a jungle with no variety in their lives and no opportunity to enrich their lives with personal pursuits. Rolfe and Troob were stressed, disillusioned, and looking forward to nothing but more of the same. Clearly, they were out of balance, and escape was the only solution. With career changes, balance returned.

Style

Perspective

As a non-fiction work, Monkey Business is written in the first person by two young men who describe their forays into the Wall Street world of investment banking, their disillusionment with that world, and their subsequent departure for financial careers which offered far better balance and the ability to utilize their intellects. First-hand experiences of both young men are described in detail, including the debauchery of their superiors and their own descent into that abyss, the "carrot-and-stick" approach used to cement their loyalty to the firm, and the absurd demands of vice-presidents and managing directors in the production of documents which have enough "spin" to entice potential clients to invest or acquire. Clearly, as individuals who have left the sector of investment banking, Rolfe and Troob put forth a rather subjective condemnation of the industry; however, they have the evidence of their own experiences to provide the proof they need to convince readers. Their unique perspective, as members of the industry, allows the reader an intimate view of investment banking institutions, their role in the larger economic picture of America, and the huge sums of money which are moved about, based upon essentially subjective views of the values of companies.

Tone

A single prevalent tone for Monkey Business is not intially clear. As one completes the reading, however, and reflects upon the value of the work to a variety of readers, there are several impressions of tone that bear consideration. First, one may view this book as satirical, a work that presents the investment banking industry as an absurd compilation of obsessive-compulsive, power-hungry, and often deviant personalities, willing to say and do whatever is necessary to clinch a "deal" and pick up a huge fee for doing so. Humor is spattered throughout the work as well, while Rolfe and Troob describe actual experiences bordering on the ridiculous, Rolfe's description of his day at the printer, during which a new prospectus is designed, is both hilarious and frightening, when one considers the excesses of food and drink and the obligations of the associate to ensure only that the correct font and spacing is in place. Despair and disillusionment are also quite evident, as both young men come to grips with the facts that they have compromised their very beings for the good of an institution which they do not value and which assigns no lasting value to them. Fortunately for both, the compromises are too great, and they leave to pursue much more personally rewarding endeavors. Finally, of course, there is personal redemption, as each young man finds balance in his life, and catharsis, as they collaborate to commit their experiences to posterity through their book.

Structure

Overall, Monkey Business is a chronological presentation of the first year in the lives of two young associate investment bankers, from recruitment for an earlier summer internship program to the offer of a permanent position and, ultimately, to their "escape" from the crazy and lopsided world into which they had tumbled. Chronology is an essential structure, as it is important for the reader to follow their initial enthusiasm and optimism, followed by questioning, skepticism, and disillusionment, and terminating in their decisions to move on to far more balanced and rewarding career paths. Within this chronology, however, are chapters that focus on specific aspects of investment banking tasks and processes. Thus, chapters titled "Fishing for Value," "The Merry-go-round," "The Bottleneck," "Drafting," "Push the Button," and "Travel" relate the details of the variety of functions performed by all members of the industry, in order to reach the ultimate goal - investments, sales, and acquisitions which land the corporation big fees, as they bring companies and potential investors together. Other chapters focus on the organization of the corporation itself, so that the reader gleans an understanding of the functions of each titled employee. Overall, an excellent mesh of chronology and function is achieved, so that the reader is left with a picture of the investment banking industry as a whole and, as well, the sequence of events leading to the authors' rejection of the profession.

Quotes

The one immutable truism that exists for bankers is that any problem can be solved by throwing enough money and time at it. The implication? The banker's greatest enemies are those people whose souls are not for sale, and those who realize that time is a nonrenewable commodity. (p. 5-6)

And so it was that the summer dragged on for Rolfe and me. Pitches, deals, dinners, nights on the town, it was one long continuous bank-a-thon. Lots of learning, little sleep, and a healthy serving of humble pie. Eventually it came to an end. The summer had been painful, but it was over. We had survived and we were ready to use the summer experience as a springboard to bigger and better things. Rolfe and I swore we would never go back. We promised ourselves that we would try to get an offer from DLJ and then use it to find other, more rewarding jobs. Once again, we were believing our own bullshit. (p. 75)

With the start of our careers edging ever closer, we were beginning to feel good bout our choice. We had a conversation in July and talked about doing IPOs and doing deals in the Merchant Bank. We talked about the big money and the time we'd have to spend it. We discussed our grand plans of taking the New York social scene by storm. The parties, the big life. We talked about being hotshot investment bankers at the hottest firm on Wall Street. We were stroking each other and it felt good. We thought we were entering nirvana, and that we would soar like eagles over the heads of the common folk...Actually, we weren't eagles. We were pigeons, following a trail of bread crumbs. (p. 83)

American-style capitalism puts a high premium on broad market discipline, and this has led to the development in America of the largest and most sophisticated capital markets in the world. The investment bankers have positioned themselves squarely at the crossroads of these public capital markets. They're the toll collectors. They make it difficult, nearly impossible in fact, to access the public markets without traveling on their parkway, and their parkway ain't a cheap road to travel. (p. 101)

The whole idea of a pitch is to convince the client that the bank delivering the pitch is the right investment bank to lead the deal. Every bank makes the same pitch. They all go into the beauty pageant and tell the company "We're the best. Our investment bank does all the big deals for companies in your industry. We know all the big buyers and we're the guys. We're the only investment bank qualified to lead manage your business." (p. 108)

Being assigned to create a pitch book is a punishment. It's the pinnacle of mindless processing. Associates start out believing that they're going to create the Magna Carta, the masterpiece that will bring in the big deal, and that their pitch book will move mountains, convert heathens, and generate enormous fees. They end up realizing that the pitch book is an unholy creation, a mixture of three-week-old potted meat and smelly cottage cheese with just enough curry powder added to cover the latent rottenness. (p. 110)

Overall, investment bankers spend hours, days, and sometimes weeks of their lives trying to figure out a way to show a company what a tremendous amount of money the company is worth. Then, if they're lucky enough to win the business, they spend more hours, days, and weeks slowly persuading the salespeople, the capital markets guys, and the markets that the company is truly worth the value that the bank attributed to it. It's like catching a fish and then trying to hold on to it with your bare hands. Some investment bankers are just better fishermen than others. (p. 128)

Our success, or lack thereof, in banking would be dependent on a long row of Xerox copiers operated by a platoon of patriotic Puerto Ricans. They were the revolutionaries, capable of being either our greatest allies or our most heinous enemies. To get on their bad side was to commit hari-kari. A banker with no copy-making abilities is impotent, so the militants in the copy center became our best friend. There were times when we would have given a round of blowjobs to the entire copy center staff if they'd requested it. We would have done it with a big smile on our faces, and we would have swallowed. Anything for the copy center guys. (p. 142)

Dinner was full of insults and profanity. Nobody was called by their real name. Everybody was "pricko," "fuckface," or "jackass." We reveled in insulting each other's dignity. The free-for-all at dinner was the glue that held us all together. On a nightly basis, it gave us the opportunity to try to convince each other that the dream was still alive, while we collectively came to the dawning realization that were were investment banking automatons marching in lockstep to the same inevitable fate. Dinner was our group therapy. (pp. 157-58)

DLJ tried to lessen the pain of this grind through the liberal application of its own corporate narcotic - money. Unlike a lot of other firms, DLJ was clearly with the program. What that meant was that DLJ didn't nickel-and-dime us to death on our expenses; the firm knew how to keep our appetites whetted. When we had business dinners they were always first class...When we traveled, the charges didn't get questioned. The firm knew that extravagant tastes were the best defense that they could ever hope to have against our departure. And when it came to purely social events, the firm threw just enough corporate clambakes to keep the junior bankers from engaging in open rebellion. (pp. 160-161)

When it comes to drafting, there's no such thing as pride of authorship. The normal rules of literary law and etiquette do not apply. This is probably because the rules of literary law that address plagiarism only apply to prose worth stealing, and there's never been any text in a prospectus worth stealing. Bankers aren't known for their vivid imaginations, so the chances of them breaking any new ground in their descriptions of a company's business are slim. Furthermore, whatever mildly compelling prose any banker has managed to create to describe a company's business has inevitably gotten watered down by paranoid lawyers. There's no prime rib in the process; hamburger goes in, horsemeat comes out. (pp. 184-85)

At the end of the day, there's nothing tangible except the prospectus to show for the numerous all-nighters and those dark months of toil that go into a deal. The prospectus usually sucks, and nobody ever reads it cover to cover, but the prospectus and a Lucite deal toy is all the associate has to show at the end of a deal. It's not like they're building houses or making widgets. The prospectus and deal toys are the associate's stone tablets, like the ones that Moses had with the Ten Commandments on them. They're the evidence, and without them the associate might start to wonder whether their agonizing existence is anything more than just a bad dream. (p. 199)

A road show is exactly what it sounds like. It's a show that the bankers and the company take on the road to the investors. The show is well-rehearsed. There are directors, producers, costumes, and props. Sometimes there are videos or product demonstrations. The road shows are a lot like the infomercials on late-night TV that tell you how to get rich and be your own boss. (p. 210)

It didn't take long to shatter the illusion (of international travel). I was midway through my first foray to the OldCountry when I realized how much international travel sucked. The time changes completely fucked me up. The institutional accounts in Europe were all grade B - the bastard stepsons of their U.S. counterparts. Europe was just a backup in case we couldn't rustle up enough demand back home. I was a pitiful schmuck, baby-sitting a management team and peddling junk bonds to marginal European accounts. It was exactly the kind of assignment that was custom made for an associate. (p. 212)

The dream. Was it worth it? Was big money by thirty the goal, or would we rather enjoy our lives? Could you have both and still be an investment banking associate? You can be rich at thirty, forty, or fifty, but you can't recapture your youth. You can't buy time and you can't buy happiness. Time marches on. The DLJ annual report said "Have fun." We weren't. (p. 239)

(Troob speaking) I was everything that I didn't want to be. I had lost the one thing that I needed most. I had lost my pride. If a senior banker asked me to spit-shine his shoes for an extra-good review at bonus time, I would hock a loogie and start scrubbing. (p. 253)....This wasn't the dream. I had thought that I would have more time and more fun. What was at the end of the desert anyway? An oasis? A mirage? Maybe I wasn't in a desert after all. It seemed more like a never-ending jungle. I didn't care anymore. Whatever I was in, I wanted to be airlifted out. (p. 256)

(Rolfe speaking) It didn't take long for me to make the decision that I had to get out, too. Even after the initial excitement of leaving DLJ had died down for Troobie, he was still jazzed up about his new job. It wasn't just that he was glad to be gone. He actually looked forward to going in to work every day. I couldn't remember the last time that I'd felt like that. I wanted to feel that excitement again. I wanted to walk into work in the morning with a big smile on my face. (p. 264)

Our lives are a seesaw and what we strive for is some sort of equilibrium. When we were investment bankers, there was always a fat, greasy angry guy on one end of the seesaw and a happy little wood fairy on the other end. The fat guy didn't look like he was going anywhere, and we didn't see how we'd ever reach a balance...Miss it? Like a cannibal misses a side order of vegetables. (p. 273)

Topics for Discussion

Excesses on Wall Street resulted in a virtual collapse of the financial markets, specifically the investment banking sector, requiring a huge government bailout. What practices, as described by Rolfe and Troob, contributed to this meltdown?

List and describe the experiences and activities of John Rolfe and Peter Troob which lead to their ultimate decision to leave DLJ.

Do you feel that the actual task responsibilities of an associate at DLJ were worthy of one with an MBA from a premier business school? Support your opinion with specific examples from the book.

Rolfe and Troob use analogies of a desert and a jungle to describe the world of investment banking. Describe the use of each of these analogies and explain how the authors come to the conclusion that a jungle is the better analogy.

Describe the process by which a prospectus is developed. Is this process efficient? Why are so many people involved?

Explain the two most prevalently used methods for determining the value of a company. Are they valid? Why or why not?

Why, in your opinion, would an associate remain in investment banking, given the fact that he or she is subjected to vulgarity, harassment, verbal abuse, one-hundred hour work weeks, and exhaustive, unrewarding clerical work? What type of personality would one need in order to endure this?