

Top 50 Banking Firms



Houlihan Lokey

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#5 VAULT CONSULTING 50

DEPARTMENTS

Capital Markets • Financial Restructuring
• Financial Advisory Services • Mergers & Acquisitions

THE STATS

Employer Type: Private Company
Co-CEOs: Jeffrey Werbalowsky & Scott Beiser
No. of Employees: 850+
No. of Offices: 14 (Worldwide)

UPPERS

- “Quality of people: they’re friendly, helpful and really care”
- “Great deal experience: you’re trusted with a wider range of responsibilities than peers at other banks”
- “The respect with which the senior staff treats you”

BUZZ

- “Leaders in restructuring”
- “Strong advisory”

THE SCOOP

Worldwide reach

Founded in 1972, the privately-held investment bank Houlihan Lokey employs more than 800 people worldwide. Although it’s best known as a middle-market advisor, Houlihan Lokey also serves large public corporations and small private companies. Its financial restructuring division has risen to prominence in recent years—Houlihan Lokey’s teams have worked on some of the world’s biggest bankruptcy proceedings, including those of CIT Group, Lehman Brothers, WorldCom, General Motors, Enron and Conoco. And in the past 10 years, the firm has worked on more than 600 restructuring transactions worth a total of over \$1.5 trillion.

Led by co-CEOs Scott Beiser and Jeffrey Werbalowsky, Los Angeles-based Houlihan Lokey’s business is divided into four main service lines: mergers and acquisitions, capital markets, financial restructuring and financial advisory services. The firm’s U.S. offices are located in Los Angeles, New York, Chicago, San Francisco, Dallas, Atlanta, Minneapolis and Washington, D.C.; its overseas operations can be found in London, Paris, Frankfurt, Hong Kong, Tokyo and Beijing.

In May 2010, Houlihan Lokey announced a joint marketing alliance with Knight Capital Group Inc., a provider of market access and trade execution services across multiple asset classes. Together, the two firms will work to deliver capital markets capabilities focused on equity and fixed-income underwriting. More recently, in July 2010, Houlihan Lokey expanded by making a minority investment in Avista Advisory Group, an investment bank with offices in Mumbai and Singapore.

Each year, Houlihan Lokey takes home several high-profile awards and recognitions. In 2009, Thomson Reuters named Houlihan Lokey the No. 1 M&A advisor for U.S. transactions under \$3 billion, the No. 1 global restructuring advisor and the No. 1 global M&A fairness opinion advisor over the past 10 years (from 2000 through 2009, the firm advised on 667 fairness advisory deals, over 200 more than second place J.P. Morgan, which worked on 475). In addition, *The Deal Pipeline* named Houlihan Lokey

the No.1 investment banking restructuring advisor, *Mergers & Acquisitions* magazine named it the Investment Bank of the Year and *International Financing Review* called it the Global Restructuring House of the Year. Recently, Houlihan Lokey has completed transactions for big-name clients such as Kraft Foods, Delta Air Lines, CIT Group, Deloitte, Orbitz, Grant Thornton and JPMorgan Chase.

GETTING HIRED

Selectivity

- “We’re looking for bright, nice, competitive people who are self-starters with an intense work ethic and an intellectual curiosity about business.”
- “Recruiting is a very organized process. We have school teams and a non-core recruiting team. There are typically two rounds of interviews that include an assessment of technical ability as well as is the person down-to-earth and someone you would want to work with.”
- “We’re looking for smart, well-rounded, entrepreneurial individuals that can think well on their feet, analyze companies and situations, and synthesize information on a real-time basis. The typical candidate has a solid fundamental understanding of corporate finance and valuation. Former investment banking experience is a plus, but not necessary.”
- “First round is usually done on campus; subsequent rounds at the office.”
- “Very tight, organized process. Jeff Werbalowsky, our co-CEO, coming to campus makes a huge impact.”
- “Highly competitive. I was the only person hired in my entire MBA class.”
- “We have expanded our recruiting in Europe. We now have presentations on campus, career fairs and a group that’s very dedicated to hiring the best candidates possible.”
- “Interview process is straightforward. Not a lot of downtime: you interview, know you

Top 50 Banking Firms



Houlihan Lokey

are going to get called back that day, have a dinner/reception that night or the next day, and then have a final-round interview. Pretty streamlined, which is how it should be.”

- “Second round of interviews are designed to challenge candidates technically, to gauge their understanding of corporate finance, and to measure their people skills and ability to manage in a fast-moving environment.”
- “For summer internship recruiting, the interview process happened very fast. I interviewed on a Friday and was called back that evening to come in for another interview on the following Monday. I was made an offer by the end of the week.”

Internship Experience

- “It was an amazing experience. There was training upfront, and throughout the summer there were lots of social events, a peer mentor, feedback and, in the end, a final offer. It’s everything you could want.”
- “All of the people that I summered with received offers, and we all returned. We made up the entire next class in our group.”
- “My summer internship was fairly intense. I think the current summer program is a better combination of work and play, although at times summer financial analysts and associates are asked to put in pretty long hours when needed.”
- “I liked the way everything was structured. And the other associates and financial staff were very willing to help answer questions and made themselves really available. It was truly like being a full-time associate by the end of the summer. I was surprised by the level of responsibility I was given. It really allows you to see what the job entails and whether it’s something you can see yourself doing full time.”
- “Great program and definitely wanted to come back.”

OUR SURVEY SAYS

Satisfaction

- “I work with great friends, have a major (hopefully positive) impact on the firm, and have enjoyed a long run of good results and compensation. What’s not to like?”

- “I enjoy what I do on a daily basis; it’s dynamic and interesting, with a good mix of challenging deals across a variety of industries. There’s also a very good group of people from top to bottom in this firm who are fun to work with and a low to nonexistent face-time factor. That combination makes coming to work every day enjoyable.”
- “I have been a financial analyst for three years at Houlihan Lokey. It’s a wonderful group of people and I’ve been extremely satisfied. I’ve had great deal flow with tremendous experience. Definitely better than any of my classmates at other firms. I’ve always been treated with respect and made to feel like a true member of the firm.”
- “I’ve learned a tremendous amount, both from a client skills perspective and technical perspective.”
- “Very fulfilling and interesting. Restructuring is something that does interest me and I want to learn more about.”
- “This is a dynamic challenging environment filled with interesting people. It is incredibly rewarding to team up with colleagues and clients and put some really creative talented brains to work on a project. The growth and evolution of the firm makes the bigger picture even more exciting. That said, if you think you’ve completed your job flawlessly, you haven’t tried hard enough. There’s always more to think about. And it takes a well-rounded individual to bring fresh thinking to every day.”
- “I’ve had an amazing financial analyst experience, gaining tremendous deal experience. I will be heading to a private equity firm.”

Firm Culture

- “This has got to be the best if not one of the best places to work. You are able to take on a lot of responsibility, much more than my friends are able to who work at other firms.”
- “Extremely hardworking when demanded. However, the firm is very good about allowing employees time to enjoy a personal life, particularly when times are slow.”
- “Very laid-back. People appreciate the other aspects of life besides working, and understand you have commitments to other things such as family and friends, and they foster that.”
- “Truly unique culture with leadership by

example, stemming from the CEOs. Group and firm trips for junior staff, ‘Jeans Friday,’ peer and senior mentors, and other career guidance.”

- “Open-door policy from top to bottom. You can stop the most senior person in the firm and engage them in a good conversation. People generally like each other and enjoy going out after business hours.”
- “Highly collegial and pleasant. Success is rewarded.”
- “It’s an organization where you’re expected to grow, learn and contribute to the best of your abilities. However, you’re also given the tools, support and time to develop. Mentoring (informally and formally) is encouraged and really a staple of the firm’s culture. People at Houlihan Lokey are still extremely competitive, but those energies are directed outside the firm rather than within it.”
- “Amazing culture from the CEOs to the mail room. Everyone is encouraged to make a difference and leave their legacy.”
- “Best culture on the Street.”

Hours

- “While the hours can be very high at times, the senior bankers do a great job of not overworking the junior staff if there are no real deadlines. They do not, as a general rule, make up work to do.”
- “Long hours come with the territory of investment banking. It’s unavoidable, especially at the financial analyst level. But the firm is very good at letting you manage your own time around outside activities.”
- “Some weeks I travel every day to a different city and fit in a few hours sleep on planes and in hotels. Others I’m in the office 24/7. Still others I work a leisurely 9-to-9 schedule and limit my weekend activity to a couple of hours of phone calls and reviewing docs.”
- “Ebbs and flows. Can be heavy at times and light at times, but it’s still investment banking.”
- “I have no one to blame other than myself for overworking, which sadly I do, but I’m trying to change.”
- “Work hours vary depending on active engagements. I find myself working 100-hour

Top 50 Banking Firms



Houlihan Lokey

weeks when I'm busy and leaving at 8 p.m. each night when I'm not. There's no face time, which keeps everyone sane."

- "A lot of hours, but it's what I expected."
- "We work hard but also have balance in our lives."

Manager Relations

- "The people here are great. Everyone has an open-door policy. Given all of the turbulence in investment banking, it is a pleasure to feel happy and comfortable."
- "Typically senior/junior relations are good, certainly relative to other investment banks. There's a low 'jerk factor' at Houlihan Lokey, and senior people are approachable and generally understanding of junior staff's questions, needs and timing conflicts. That said, we do work in a high-pressure environment, and there should be no misconceptions about what is required of junior staff to support senior deal team members. It's collegial and respectful, but can be very demanding at times."
- "Senior professionals treat the junior staff with complete respect. They appreciate the hard work you do for them, and they seem to actually respect your opinion. From what I have heard, this is completely atypical of an investment bank."
- "The people here are amazing. The head of our firm, the head of our group, the officers, and all the associates and financial analysts are just great people to work with. Very down-to-earth, bright, fun, ambitious people."
- "I am a very senior banker and my superiors treat me as a total peer. I treat any senior banker who is taking responsibility for a client situation with the same respect. Junior professionals are expected to follow instructions, letting you know if they cannot for some reason, and then asked to step up and show their capability above and beyond requirements. The sooner they step up, the more responsibility they are given and the more respect they develop at all levels of the firm."
- "Managers at Houlihan Lokey understand the value that junior staff bring to a situation, and they make a habit of publicly recognizing contributions by each team member. I have often been given credit for ideas on conference calls with various parties."
- "The head of my group and the officers are caring individuals from a business and personal perspective. It makes all the difference."

- "Everyone respects everyone. At the same time, they do expect a lot from you."

Formal Training /Informal Training

- "The firm's formal training efforts are modest, but sufficient for understanding the proprietary systems."
- "We have a strong culture of encouraging informal mentoring and training."
- "Houlihan Lokey has a mentor program whereby associates are given a junior mentor (usually a second- or third-year associate) as well as a senior mentor. The firm encourages the mentor/mentee relationship, which is very helpful when first beginning at the firm."
- "Formal training has significantly improved over the past few years. The peer mentorship and senior mentorship programs are great, and I have both been a mentor and mentee, which have been equally rewarding."
- "As a midsize firm, Houlihan Lokey does not have a long or extensive formal training program. Instead, it relies on a targeted training program. It is not a complete review of basic finance and skips to cash flow modeling and other more complex analyses, with only a brief session on basic finance principals. Once training is over, Houlihan Lokey focuses on continuing informal and on-the-job training."
- "The firm places a strong degree of emphasis on on-the-job training. The best way to learn is getting experiencing first-hand on a live client situation."
- "The on-the-job training and mentoring program are great and very helpful. All the financial staff is very open and very willing to help and answer questions. Recently, another associate stayed late to help me when I was struggling with a model, even though he could have gone home."

Compensation

- "The signing bonus was generous."
- "Houlihan Lokey strives to pay at or above the market in terms of base compensation, signing and year-end bonus, and other financial incentives."
- "Houlihan Lokey has paid at the top of the Street."

- "Very satisfied. Will move on to a sensational hedge fund where hopefully I get paid even more."

- "The pay is really good here."
- "We have generally been paid in line with top of Wall Street, although much depends on the individual product group (financial restructuring, corporate finance, financial advisory services)."
- "Houlihan Lokey is generous in compensation from both a salary and bonus perspective. Historically, the firm looks to pay above average in total compensation."
- "We are very generous to junior bankers who have done all that is asked of them, regardless of the amount of revenue they touch."

Perks

- "Free MetroCards every month."
- "Financial analyst/associate outings, several parties/events per year for junior staff, firm-wide free lunches once per month. Financial analyst/associate camaraderie encouraged through nightly group dinners while watching 'SportsCenter' or other programming."
- "Free juice and soda."

Respondents also point out that the firm offers free car rides home and dinner if working late, moving expense reimbursement, free parking, free or subsidized gym memberships, telecommuting, flex-time, paternity leave and extended maternity leave.

Diversity with Respect to Women /Minorities/GLBT

- "The firm definitely makes an effort to have a diverse staff, and you can see that by our number of women and overall diversity."
- "I believe Houlihan Lokey hires without consideration to race, gender or sexual orientation. That said, there are not any particular programs that I'm aware of to promote this diversity."
- "We have an emphasis on attracting and promoting both minorities and women. Despite our best efforts, I don't believe we've been able to do as well as we would like in these areas. We don't ask at all about our employees' sexual preferences, so we don't make any special effort to recruit those with any given

Top 50 Banking Firms

Houlihan Lokey

preference—we certainly do not differentiate or discriminate in hiring here.”

- “We have great women at all different levels. We also have openly gay professionals. It is wonderful to see people be supportive of other people with a blind eye to gender and sexual preferences.”
- “Our office is primarily run by women and African Americans.”
- “There is an open and tolerant culture in line with the industry.”

Environmentally Friendly Practices

- “Policies are implemented to reduce waste and reuse supplies whenever possible. Energy use is controlled for reducing footprint.”
- “We continue to try to positively affect our world. No bottled water, mandatory recycling, carpooling, recycled paper usage, etc. If people come up with good ideas, we try to embrace them.”
- “Very strong emphasis.”
- “Houlihan Lokey is very conscious about being environmentally friendly and encourages its employees to ‘be green.’”
- “Our co-CEO writes all his emails in green text, and we have a formal green policy. For example, the office does not use any paper or Styrofoam cups; we all have Houlihan Lokey glasses and mugs.”
- “The firm has recently made an effort to be more aware of its impact on the environment

and that’s been reflected in various policies.”

Office Space

- “Overall, most of our offices are very nice. Our shabbiest office is our Los Angeles headquarters, where we have been in for over two decades. We will probably move from there in the next few years.”
- “Well-located; professional, modern building.”
- “Renovations in the New York office have been very positive for restructuring.”
- “The location right next to Grand Central is very convenient for locals and other commuting in from outside of New York. The décor of the offices is fine.”
- “Fantastic location in the West End in one of London’s smartest areas.”
- “We have a beautiful office in Virginia. A professional, investment banking-feel with a touch of Virginia.”

Business Outlook

- “We’re coming off a record year, with our reputation unshaken, our financial position stronger than ever, morale very high and having completed our most aggressive hiring program ever.”
- “Restructuring is slowing down, but M&A, fairness opinion and solvency opinion work should be picking up. There are some exciting opportunities in M&A.”
- “Houlihan Lokey has a uniquely hedged

business model: the corporate finance group does well in up markets, the financial restructuring group is countercyclical and does well in down markets, and financial advisory services does well in either market, although it may find deals easier in a frothy M&A environment.”

- “It seems like the restructuring market is nearing the end of a very strong cycle. However, the prospects seem strong for the corporate finance and financial advisory businesses.”
- “The firm has done very well over the past several years and is expected to continue, with our Co-CEOs steering the ship towards greater success.”
- “The firm has been aggressive in the downturn at building out important capital markets and financing groups. And a recent marketing alliance with Knight Capital and associations with banks across the world bodes well for the firm’s international presence.”
- “Very well positioned to thrive given the three diverse product lines and the many initiatives taken in the downturn, particularly in corporate finance. This positions the firm to thrive in what is hopefully a turn in the M&A market.”
- “We’re excited.”

EMPLOYMENT CONTACT

www.hlhz.com/us/careers