

The 80-Hour Workweek

A reader asks:

I see amongst new grads that work in the finance industry that there is a general sentiment that more hours worked equates to some level prestige. The extreme example is investment banking where you most likely work 80+ hours a week. Maybe it's just me experiencing this but regardless I'd like to hear what you think about the balance of in office hours and out of office hours and how it could contribute to a career in the finance industry.

Investment banking doesn't have the same cache as it once did because the tech industry took a lot of mindshare from the Ivy League schools following the financial crisis.

But I'm sure there are many high achievers who feel as though they have no choice but to go this route as if it's preordained from birth following prep school, a top 10 college and then 3 years of intense I-banking work before moving on to private equity or hedge funds.

And for some people, this route might make sense. I know a few people who have gone through it and see investment banking as a stand-in for their MBA.

I knew the investment banking lifestyle wasn't for me when my boss at my college internship for an investment research shop told me all about his experience in the field. He went to Penn for undergraduate and followed all of his friends into investment banking following graduation in the late-1990s.

He proudly told me in his first year or so on the job he had exactly three days off *in total*. This sounded insane to me yet he wore it like a badge of honor along with the all-nighters and a complete lack of a social life.

Kevin Roose wrote an excellent book a few years back called [Young Money](#) that pulled back the curtain on the investment banking lifestyle that I highly recommend for anyone thinking about going into this field.

He followed eight entry-level employees at some of the largest investment banking firms in the country for three years in the aftermath of the financial crisis. His portrayal doesn't exactly paint this lifestyle as a lap of luxury:

Every year on Wall Street, first-year analysts who were once courted by college recruiters with lines about how they would be given meaningful, creative work and the chance to learn from top executives are shown the harsh truth: they are Excel grunts whose work is often meaningless not just in the cosmic sense, but in the sense of being seen by nobody and utilized for no productive purpose. Some of the hundred-page pitch books analysts spend their late-night hours fact-checking

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in painstaking detail are simply thrown away after being given a quick skim by a client. In other cases, the client doesn't read the deliverables at all, and the analysts' work is literally garbage.

One of the ways people justify this is because the money is pretty good but Roose profiled one guy name "Ricardo" who calculated his estimated hourly pay at something like \$16/hour after taxes based on the ridiculous number of hours he was working:

Most days that winter, he had worked the "banker nine-to-five"—getting to work at 9:00 a.m. and staying until 5:00 a.m. the next morning, at which point he'd trudge back to his Murray Hill apartment, sleep for three or four hours, and do it all over again. Even the money he was making wasn't cheering him up. Ricardo had once made the mistake of calculating what his hourly wage would be, given his salary and a conservative estimate of his year-end bonus. The result—which he estimated was something like \$16 an hour, after taxes—was much more than minimum wage, but not nearly enough for Ricardo to be able to justify the punishment he'd been taking.

Everyone has some aspect of their job they can't stand or busy work they're forced to do because no one else will do it. And I'm sure there are plenty of people who've had more pleasant experiences working in this industry. There are also those who thrive under this kind of pressure and see it as something of a rite of passage.

But Roose's tales make this type of work environment seem soul-crushing. Maybe I just don't have the type A personality set for that life.

The question of in office hours versus out of office hours is a good one in thinking about a career in the finance industry. I knew basically nothing when I came into finance so a massive amount of my learning was done on my own after hours.

That's actually one of the ways reading and researching the markets became as much of a hobby as a job for me. The more I learned the more I realized how much more I still had to learn. It was like a snowball of knowledge where I wanted to continue the process once it got going.

I suppose if you added up the number of hours I've spent reading and tacked it on to my typical workweek the amount of time I spend "working" is higher than it seems at first glance.

But when you get to the point where you enjoy what you're doing both inside and outside of the office you don't worry as much about counting the hours to compare to your peers or co-workers.

Source:

[Young Money](#)

Further Reading:

[Being in Control of Your Own Time](#)