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**BUSINESS**

**HIGH-END JOBS**

**LABOR DAY SEES  
HEDGE-FUND HIRINGS**

**THAWING OUT**

# THEY'RE HIRING HEDGIES



HELEN NEAFSEY/STAFF PHOTOGRAPHER

Sandy Gross, founder and managing partner of Pinetum Partners LLC, a recruiting agency for hedge funds, sits outside her Pickwick Plaza office in Greenwich. Gross, who helped staff Amaranth Advisors, says the industry is hiring again as the economy slowly recovers from the shocks of the past year.



## Labor Day brings good news at high end of job market

By Michael C. Juliano  
STAFF WRITER

Hedge funds — Southwest Connecticut's native industry — are beginning to hire again as the economy and the stock market show glimpses of recovery, according to Sandy Gross, founder and managing partner of Pinetum Partners LLC.

"It's been picking up in the last month," she said, adding that she expects the job market in the hedge fund industry to improve slowly next year before doing well in 2011. "I think the worst is over, but I think

Pickwick Plaza is home to some of the area's biggest hedge funds.

it's going to lag a little longer."

Pinetum (pine - E - tum) Partners is a Greenwich-based retained executive search firm specializing in senior level search for hedge funds, investment banks and other securities firms in North America, London and Asia.

Hedge funds are gaining confidence based on recent positive earnings reports from JP Morgan and Morgan Stanley, but they will add staff cautiously at first, just as employment overall trails behind consumer spending and confidence, Gross said.

"Hedge funds are still hesitant because they want to make sure there's continued stability in the market

with increased returns," she said, adding that the hiring is being done primarily by the larger firms. "They have more capital under management and are taking advantage of dislocations in the marketplace."

There were as many as 4,000 people employed at hedge funds in Fairfield County, but it has not been determined how many are working at them now.

Prior to last fall, hiring by hedge funds was quite robust for several years as the industry doubled in assets under management, from \$70 billion in 2004 to \$1.75 trillion in 2008, Gross said.

"For the last five years, we've  
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# Hedge fund industry still seeks talent

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seen hedge funds experience tremendous growth with pretty good returns," she said.

That was until Lehman Brothers went bankrupt in September of last year after the fall of Bear Stearns in March 2008.

"Then we became very slow," said Gross, adding that hedge funds saw \$50 billion in redemptions in October 2008. "It was night and day."

The number of hedge funds in Greenwich has declined from 248 funds by the end of 2007 to 188 funds, while the number in Fairfield County has decreased from 531 funds to 424 funds, according to Hedgefund.net in New York City. Furthermore, their number has diminished from 589 funds to 469 funds in Connecticut and from 10,593 funds to 9,153 funds for the New York City region.

"It looks like funds operating in the Greenwich area felt the impact of the financial crisis more severely, initially, but also stabilized more quickly than Stamford, New York City or the whole region," said Peter Laurelli, a chief financial analyst with Hedgefund.net.

A senior analyst at single-manager hedge fund firm earns an annual base salary from \$142,400 to \$166,100 and, with bonuses, makes from \$367,000 to \$1.3 million, according to Institutional Investor magazine in New York City. A senior portfolio manager earns from \$165,000 to \$244,500 and, after bonuses, from \$658,000 to \$1.6 million, while a senior trader pulls in about \$129,000 to \$170,000 on his base salary and from \$443,000 to \$1.1 million after bonuses.

Hiring activity by large hedge funds, such as Citadel, for trading, analysis and management roles has increased recently, particularly in high-frequency trading, global macro and distressed debt, Gross said.

"I think a lot of hedge funds and banks scaled back, but now they are hiring back," she said, noting that the institutions have become much more discerning in their selection of candidates. "In 2004, they could have six out of 10 qualifications. Now you need all 10."

Her firm also is seeing a rise in companies looking for financial service professionals who can help them restructure their distressed assets, Gross said.

"They need to have people who know how to look at those assets to value and restructure them for later sale," she said.

Before founding Pinetum Partners in July 2004, Gross was the head of human resources and recruiting at Greenwich-based Amaranth Advisors, a \$9 billion multi-strategy hedge fund that dissolved in September 2006 after taking a \$6 billion loss in energy. While at Amaranth, Gross helped increase its staff from 150 workers to 260 employees and developed new trading strategies that allowed Amaranth to expand into London and Asia.

A resident of Greenwich, Gross began her recruiting career in 1997 with executive search firm Spencer Stuart, where she spent six years focusing on investment management and banking practices. Before Spencer Stuart, Gross held management positions at Bankers Trust Co.; the FINS Group, an IBM-owned boutique consulting firm; and Manufacturers Hanover. She is also founding co-chairwoman of the 100 Women in Hedge Funds Human Resources Peer Advisory Group.

The substantial loss of jobs throughout the troubled financial services industry has been difficult for many, but it has also brought people together at



HELEN NEAFSEY/STAFF PHOTOGRAPHER

Pickwick Plaza in Greenwich is home to many high-end financial services companies, including several hedge funds.

the many networking events that have sprung up, Gross said.

"It has to be done constantly in good times and bad," she said. "It's a good way to open dialogue."

Gross, who has made guest appearances on CNBC Power Lunch, NPR, CBS News Radio and Fox 5 Business News, also will host three "Get the Job You Want" workshops this fall in partnership with Jewish Family Services.

Hiring by hedge fund managers has picked up slightly in the past couple of weeks as the stock market continues to stabilize, yet they are more careful in their hiring these days, said Andrew Golden, managing director of Mergis Group, a Stamford-based recruitment firm focused on finance, accounting and other industries.

"There's much more scrutiny with the hire," he said, adding that hedge funds are agile in keeping as many workers as the market requires. "In an up market or a down market, they always run lean."

Those seeking to hire in the hedge-fund industry have a large pool of talent to choose from, said Stephen McMenamin, executive director of the Greenwich Roundtable Inc., an organization for money managers and professional investors.

"From what I've heard, the quality of the professionals that have become available is very high," he said.

There may be fewer jobs in the hedge-

fund industry as larger funds acquire smaller ones, but the larger, remaining funds should be able to better withstand future shocks in the economy, said Bruce McGuire, president of the Hartford-based Connecticut Hedge Fund Association.

"They are therefore now in a 'buyer's market' and can afford to be very selective in who they hire," he said. The hedge fund industry may be smaller nowadays with the closing of 1,500 funds in 2008, according to Hedge Fund Research, but the downturn in asset prices and valuations has interested investors in buying funds for better returns in the future, said John Benson, president and founder of eFinancial Careers in New York City.

"As global economies and company fundamentals recover, look for the fund industry to resume growing in terms of new fund launches and expansion by existing fund groups," he said. "That will translate into job opportunities, after a lag."

The hiring of chief compliance officers also may spike if the Securities and Exchange Commission's new regulations no longer allow regulatory exemption for funds that do not allow investors to redeem their money for two years, said Frank Carr, a managing partner with Centennial Advisory Group in Stamford.

"I'm expecting that to be very active within the investment industry," he said.