



THE SCARLET B

By BRIAN MOORE

March 23, 2009 --

Difficult as it may now be to believe, there once was a time when folks on Wall Street were held in high regard. The high rollers at firms like Bear Stearns, Merrill Lynch and the financial services division of AIG may have been a tad haughty if not outright arrogant, but the lucre they generated evoked similar sums of admiration and envy.

But with Wall Street's reputation currently fluttering around the lofty heights set by Al Qaeda and the North American Man-Boy Love Association, some experts are saying the stigma attached to working in finance is hurting the ability of downsized bankers to find new jobs.

"There's blood in water right now and the sharks are circling. Investment bankers are despondent," says Bill Singer, a securities industry lawyer with the firm Stark and Stark, who has 30 years of experience. "Folks from once-major firms are having a hard time getting jobs because so many folks are transferring their anger from the employer to the employees."

Sandy Gross, founder and managing partner at Pinetum Partners, an executive search firm in Greenwich, Conn., is likewise seeing some blowback resulting from the current banking morass.

"There are people in HR who say, 'I'm not going to go there and touch anyone who comes from that organization,'" she says, noting that the large pool of applicants makes it easy for hiring execs to send the resumes of people from troubled firms to the shredder.

"I've seen it happen, and it's too bad," agrees Rick Linde, a partner at the NYC executive search firm Battalia Winston.

Jason Morris, the president and chief operating officer at employeescreenIQ, a firm that performs background checks on job applicants, has also noticed scarlet letters being passed around, leading him to coin a term for it: "job stigma."

"We're hearing a buzz about it" in the HR community, he says. "I don't think [employers] are doing it intentionally, but they're carrying that stigma in the back of their minds."

Morris says he's heard from folks in the mortgage lending business who've been singled out for particular scrutiny. Potential employers are "using buzzwords in interviews that they might've heard in the news," he says. "Did you work in subprime?"

"The people carrying that burden are going to have to shine," he says.

That former bankers might be getting the cold shoulder from some hiring managers doesn't surprise Monty, who works on Wall Street and asked not to be named. He's not in the market for work, but he fields plenty of anti-fiancier talk in social settings, as well as ribbing about how his company is "trading for a dollar."



"What I'm seeing is a negative perception from the general public," he says. "You talk to 10 of my friends, and they'll tell you the same thing."

But even if the public's attitude toward Wall Streeters has dimmed, many recruiters aren't so sure about assertions that they're being stigmatized on the hiring front.

"If you're talking about the very top of an organization, those folks have to explain themselves," says Tom Wieder, a managing partner in the Baldwin office of WorldBridge Partners, a national executive search firm. But "I think it's more public perception than reality. That's not the reality of the market."

If a person who worked at Lehman is having a hard time getting a job, the stigma of a Lehman tenure probably isn't to blame, agrees Jeff Altman, managing director at the NYC firm Concepts in Staffing instead, they're not getting work because there's little work to be had.

Howard Leifman, a vice president at OI Partners, an international career consulting and outplacement services firm, says other factors are in play. There are fewer firms overall, and those that have survived are taking longer to pull the trigger on hiring. Plus, many who lost jobs in the finance trade are looking for work outside their expertise, which makes them tougher to hire unless they can demonstrate they have applicable skills.

"Nobody has come back to me after an interview and said they were told, we're not going to hire you because you worked for a particular company, he says.

On the other hand, says Leifman, who's also a psychologist, perceived stigma can take a toll even if it's unfounded, to the point where it can affect an interview performance.

"If you feel like you're attached to a stigma, you act like you're attached," he says.

Leslie Praeger, a career counselor and executive coach at the Praeger-Bernstein Group in New York, says those who were high enough on the totem pole at their firm to potentially share responsibility for its insolvency might encounter trouble on the job hunt, but she believes that the foot soldiers, who are far more numerous, are far less likely to encounter bias.

"It would depend on what their position was and what their role was in the company," she says. "Let's say the accountant for Bernie Madoff knew what was going on. He would have a problem."

Meanwhile, Wieder notes that on the bright side, someone who'd been, say, working on credit default swaps at AIG should have a certain edge in finding work when those "toxic assets" reemerge in the marketplace, despite publicity bad enough to make Josef Stalin cringe.

"The people who got you into the problem are the people that could get you out of it," he says.