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Project title

From "Frat Row" to Wall Street

Project description
Despite constant scandals in the banking industry and the ever-changing cycle of economic booms and busts, trends in Wall Street recruiting have shown that young graduates from top universities are entering finance more than ever. Most studies around job recruiting focus on the hiring practices through the lenses of firms and recruiters. However, through this ethnography, I follow the recruiting experiences of 12 fraternity brothers from the University of Chicago to demonstrate the social embeddedness of the economic markets they come to be a part of creating, as well as the strong conflation of "cultural fit" with technical competence on the job. I show how fraternity brothers are able to leverage their organization's deep alumni networks to close the information gap on the job market with their social position as a fraternity brother. Through a brief history of the fraternity, as a social institution, I demonstrate how being part of a fraternal organization uniquely positions brothers to gain access to social connections and information that are vital for entry into Wall Street. By drawing comparisons between the highly social process of fraternity recruitment and the heavy social networking in finance recruiting, I argue that fraternity life provides a central hub for social training of young finance recruits and serves as a pre-screening filter for socially adaptive individuals into finance.

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Sociology BA Thesis

Name and Department of course instructor/faculty supervisor for project

Kimberly Kay Hoang - Sociology

From "Frat Row" To Wall Street:

**An analysis of the "cultural matching" hiring and rushing practices
within the fraternity-to-firm-pipeline**

Ashley Soong

A thesis submitted in partial fulfillment of the requirement for the degree of

BACHELOR OF ARTS IN SOCIOLOGY

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Abstract

Despite constant scandals in the banking industry and the ever-changing cycle of economic booms and busts, trends in Wall Street recruiting have shown that young graduates from top universities are entering finance more than ever. Most studies around job recruiting focus on the hiring practices through the lenses of firms and recruiters. However, through this ethnography, I follow the recruiting experiences of fraternity brothers from the University of Chicago to demonstrate the social embeddedness of the economic markets they come to be a part of creating, as well as the strong conflation of "cultural fit" with technical competence on the job. I show how fraternity brothers are able to leverage their organization's deep alumni networks to close the information gap on the job market with their social position as a fraternity brother. Through a brief history of the fraternity, as a social institution, I demonstrate how being part of a fraternal organization uniquely positions brothers to gain access to social connections and information that are vital for entry into Wall Street. By drawing comparisons between the highly social process of fraternity recruitment and the heavy social networking in finance recruiting, I argue that fraternity life provides a central hub for social training of young finance recruits and serves as a pre-screening filter for socially adaptive individuals into finance.

From "Frat Row" to Wall Street

Introduction

  Financial collapses throughout US history have largely been blamed on the
inevitable cyclical nature of the American economy – what goes up *must* come down
(Kripper, 2010). However, the underlying basis of our economy can be heavily tied to the
ability of financial institutions to construct the economy from the ground up through the
strength of actors' social relationships and through political discourse (Abofalia, 1996).
Excessive risk-taking and predatory lending of mortgage-backed securities in 2008 led to a
global recession, resulting in the "net worth of the 95th percentile [American] to decline by
over $200,000 in just two years between 2007 and 2009, while the median fell by $28,000
(Pfeffer et al., 2014)." Ever since, multiple parties have played the blame game and
vigorously debated the causes and possible prevention measures of a collapsed, de-
regulated economy. As a result, the economy has become conflated with "the market,"
devoid of a clear understanding of the organizational structure and corporate values that
are necessary in forming the cultural workings of the "so-called market" (Krippner, 2010).

  Though the relation between social action and the economy are still theoretically
vague, social embeddedness is based on Grannovetter's perception of the idea that
individual choices emerge from a flow of interactions and constantly evolving relations
with others. While an actor is reacting to and responding to social relations around him or
her, actions are constructed and reflected through actions, the consciousness and beliefs of
others around them (Granovetter, 1985). In effect, the wide discretion of predatory lending
and individual choices of investment bankers up until the 2008 crisis bring into question
the belief systems, values and social norms that are practiced on Wall Street and how

investment bankers come to embody those attitudes (Ho, 2009; Abolafia, 2010). Focusing on the highly selective process of finance recruiting allows for a deeper understanding of how the insulated, social culture of Wall Street, which encourages aggressive deal-making, is created and then marketed to young college students.

Past studies on Wall Street culture have been restricted to how investment bankers think about and act upon the economy *once* they get there (Abolafia, 1996). But we don't know much about *how* these bankers come to receive this competitive role in the first place and *who* these bankers are. Studying the finance recruiting process can lend insight into how these values are introduced and practiced by young college students who go after these jobs. Wall Street jobs can be extremely lucrative and competitive, but success often has to do with social characteristics and current social position of candidates, rather than academic and technical merit. Networking and obtaining wide social connections within each firm have much weight on whether a candidate lands an interview or not.

I chose to study the fraternity as a social machine that reproduces social attitudes and behaviors, which offer their members social benefits to succeed on the job. The fraternity is an optimal institution to understand the social dynamics of recruiting because of the highly social nature of the organization, the large amount of brothers who end up on Wall Street and the organization's exclusive practices in keeping dissimilar populations out (Abelson and Faux, 2013; Bowen et al., 2005). Drawing on Rivera's past research on recruitment at top, competitive firms, I hone in on the concept of "cultural matching" and apply its functions within fraternity recruitment, the finance recruiting process and finance intern life (Rivera, 2011). The practice of "cultural matching" emphasizes the cultural similarities between employer and candidates, or the fraternity organization and rushees,

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to evaluate employment, while pushing technical merits into the back burner (Rivera, 2012). Applying the concept of "cultural matching" here, I demonstrate how the fraternity-to-firm pipeline functions to discriminate on social qualities at the outset during fraternity rush, and later on, works to benefit fraternity brothers in connecting them to high-paying finance gigs. Given this, finance recruiting may not be as meritocratic as its competitive interview processes make it out to be.

Creating Investment Behaviors through "Smartness" Recruiting

It would be easy to attribute exorbitant risk-taking and predatory lending to individual greed, however, Abolafia, in his "Making Markets" argues that, rather, the behaviors of financiers exist in socially constructed institutions and are suspended in a intricate web of customs, norms and structures of control. Similarly, in Karen Ho's *Liquidated*, she examines the everyday formation of investment bankers' habitus that empower them to impose their ideals and actions onto the economy. A large part of this social construction is recruiting the "right" people, the "best of the best" from the most elite universities in America. This conflation of investment banking lifestyle with elite universities is central to the recruitment process, but also to the creation of the illusion of prestige and power in the finance industry.

Ho finds that the "culture of smartness" was rampant among recruiters and necessary in maintaining the elite status of the finance profession. This approach towards recruiting is crucial in understanding who gets to enter privileged spaces of banks and the social mechanisms in place that prevent the "less elite" from entering. Put simply, the culture of smartness isn't something that is a part of Wall Street, "but a currency, a driving force productive of both profit accumulation and global prowess," indicative of "how

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investment bankers are personally and institutionally empowered to enact their worldviews ... and serve as models for far-reaching socioeconomic change" (Ho, 2009).

Front-office, high-level positions on Wall Street are the client-facing portion of a bank, which deals with sales & trading, mergers & acquisitions and any other advisory services. Financial institutions disproportionately recruit from elite institutions from Harvard, Columbia, Princeton, Brown, etc. – with more fresh graduates taking front-office Wall Street offers than any other sector of work. For a lot of elite students, job insecurity in the past few years have caused "anxieties over preserving their elite status, ... making Wall Street ... a much more attractive possibility" (Ho, 2009). Wall Street gigs became the easy, post-college option – why not "resort to the already laid-out "typical Princeton job?"" (Ho, 2009). In 2016, 27% of the University of Chicago graduating class entered the financial services sector upon graduation, along with 11% going into management consulting, another competitive and high-income sector, while in 2017, 31.4% of University of Pennsylvania undergraduates entered the investment banking industry upon graduating, along with 19.6% of undergraduates going into consulting (UChicago Outcomes Report, 2016; UPenn Outcomes Report, 2017). Because front-office roles in finance are a client-facing business, firms rely on the image of how "smart" their employees are and, in turn, use the "elite-ness" of their colleges to showcase the "elite-ness" of the firm, and ultimately, gain more business.

The reputation of how deserving elite undergraduates are of high-earning analyst roles at these financial institutions perpetuates the social construction of the powerful and self-aggrandizing identities on Wall Street. High bonuses and tight social networks of privilege justify the long hours, high job insecurity and "competitive sweatshop" of summer

internships and first-year analyst programs. Wall Street's "culture of smartness" is the starting point of how investment bankers make markets and culturally produce a highly unstable capitalism.

Cultural Homophily in Hiring Practices

In order to understand the social construction of norms on Wall Street, it is important to study the processes through which recruiting candidates create and develop connections and mentorships within their on-campus social circles. Through what networks of people allow success in recruiting? In this study, I focus on the recruiting practices in finance, specifically the work of "cultural matching" candidates participate in to attain connections to those in finance firms. In her work, Rivera shows how candidates were judged not just on skill, but also cultural similarity to firm hiring managers in terms of experiences, shared interests and self-presentation styles. Firms sought "deep-level cultural homogeneity in new hires," by using exhibition of "culture similarity" as a source of judging merit (Rivera, 2011). Cultural matching is vital for these firms because of the image they portray through the people they hire and the importance of bonding among team members due to long hours and laborious work.

Furthermore, past research on career mobility and employment outcomes show that hiring decisions stem from a combination of much more than just one's technical skills. Soft skills, social capital, even appearance and physical attractiveness hold weight in a recruiters' or employers' evaluation process (Pager and Shepherd 2008; Hurley-Hanson and Giannantonio, 2006). Viewing hiring practices as "gatekeeping mechanisms" that facilitate entry points for some people and exclusion points for others, studies also show that hiring becomes a critical site for economic stratification and social closure (Elliot and

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Smith 2004). Despite the large amount of research on hiring, there is still a literature gap on tactics candidates employ during the recruiting process, in order to appropriately convey their social and cultural "fit." Because hiring outcomes can depend on the social connections one inherently possesses, one's social position can very much affect one's dispositions, tastes and behaviors in order to fit into a desired social space.

Bourdieu's habitus is defined as the system of dispositions by one's structural position and affects one's actions, behaviors and norms (Bourdieu, 1987). This creates similar social conditions when applying for a job or joining an organization, like a fraternity that judges on cultural similarity, and comes to form fraternity brothers' habitus. Experiencing a highly social life in a fraternity generates certain preferences and practices similar to the brothers in the same social space. In effect, fraternity brothers come to embody social behaviors that are "likeable" in the finance workplace, leading them to reproduce that social structure through automatic and reflexive practices. Given the social exclusivity of fraternities (which I will briefly cover in the next section), this self-reflexive process is closely tied with fraternities joining financial institutions that have similar social networks and preferences to them. The connection between fraternity rushing and finance recruitment is an avenue towards explaining why these financial institutions are more predisposed to recruiting young fraternity brothers, who are within the same social group, perpetuating a cycle of biased self-selection.

Background on Fraternities

The rigor of recruiting "the best of the best" helps constrain finance recruiting to not just the most elite schools in the nation, but also to the most "socially elite" spaces at America's top schools. The fraternity is a unique starting point of understanding the hiring

pipeline of investment banking because of the dominance of fraternity culture on Wall Street. More importantly, there is a social status and social power that is attached to being a fraternity member on campus, which is then amplified once brothers become official decision-makers of the economy through the fraternity-to-firm pipeline.

College fraternity life is one of the most unique hallmarks of American higher education. The benefits of fraternity life have always been very vigorously and publicly debated, however, studies have shown that, even though GPA's of fraternity members are 0.25 lower than the average student, their future incomes are approximately 36% higher than their counterparts (Mara et al., 2017). Not only do they earn more, but the power of fraternities extends beyond the socially popular lives brothers lead on campus, and into high-status, influential social networks in finance, politics, law, etc. (Burke, 1982). As of 2012, Greek alumni account for "39 current (at the time) Senators, 19 US Presidents, nearly one-third of all US Supreme Court Justices, and half of the Top 10 Fortune 500 CEOs" (Walker et al, 2013; Burke, 1982). The social status and social popularity that is strongly connected with fraternity membership can be traced to the roots of fraternal organizations in the antebellum period, where these organizations served to bring prestige and build camaraderie (Syrett, 2009).

The evolution of how fraternities function today is indicative of their long history of social exclusion and modern-day legacy of members' power and status. The first Greek-letter organization, Phi Beta Kappa was founded in 1776 at the College of William and Mary as a secret club and originally was meant as a space for socializing and debate (Current, 1990). Over time, fraternities have served as socially central organizations that emphasized various aspects of student life, like academic scholarship, fellowship, charity work and

service (NAIC, 2013). However, throughout a majority of the 20th century, Greek Life organizations transformed into social and elite enclaves, mostly meant for the white, rich and well-connected elite to build important relationships within the community, where social status and values of masculinity were reproduced (Bowen et al., 2000; Syrett, 2009). Even in current times, Greek members are more likely to be white and to have upper- or upper-middle class backgrounds (Charles et al., 2009). Broadly, fraternities have always been about class status and the maintenance of social capital. Men who are already privileged by their attendance at an elite academic institution are "further elevated above their less wealthy peers through fraternity membership" (Syrett, 2009). Banding together with a community of fraternity brothers served and still serves as a "training ground" to reproduce the social status and norms that qualified them for membership in the first place (Syrett, 2009). As late as the early 20th century, it was no accident that men in fraternities were consciously limiting membership to only "men of means." Class status, family background and "good breeding" were marker demonstrations of future professional success, "social graces" and well-mannered behavior (Syrett, 133). That a student had high social status and a well-off family background allowed them to be a strong contender to be a fraternity brother.

Though family legacy and social background, in some cases, were crucial in getting connected to a fraternity brother for rush, familial associations with an organization only mattered to a certain extent. Since fraternity members greatly cared the company that they associated themselves with, other factors such as appearance, "gentlemanly conduct" and "sociability" were prerequisites in becoming a brother (Syrett, 2009). In modern-day fraternities, brothers still act upon *social interaction* as a way to filter students who aren't

as socially adept or won't represent the image of the fraternity well. This reinforces both the socioeconomic, as well as the social exclusivity of fraternity organizations, privileging already well-connected brothers to even more opportunities in elite social networks.

Background on Fraternity Rush & the Pledging Process

Today, fraternity recruitment continues to be "the most formalized and explicit version of social evaluation and exclusion on campuses" (Stefans et al., 2008). Social status isn't explicitly a factor in judging fraternity rushees, but "cultural matching" strategies of existing brothers could possibly signal the social behaviors and norms that are preferred by a more upper class individual. Though there isn't a wide literature on the barriers to rushing fraternities, we do know that there are high economic barriers like dues that pledges and brothers pay, which include a required one-time pledge fee, an initiation fee and a quarterly membership fee. Pledge fees can range from $600 to $1,000 at some state schools, initiation fees being about the same and quarterly membership fees averaging about $300 per quarter. This doesn't include fines members pay for breaking rules or unexcused absences, as well as social expenses, including alcohol, room and board, apparel, and brothers' personal donations to in-chapter charity events. On average, a fraternity brother can expect to shell out up to $3,000 a year just for organizational expenses. These economic burdens to joining a social organization is an objective bias in filtering out less socioeconomically privileged students from even rushing in the first place.

Furthermore, rush is a highly social, unstructured process where fraternities typically will have open parties and extend invites to interested rushees. There isn't a formal, systematic process for the active house to vote on each rushee, giving more leeway for active brothers to practice more discretion in judging rushees. Interested students have

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the opportunity to meet as many brothers as they can and hang out, while brothers attempt

to bond with rushees to assess their social adeptness and likeness to current brothers.

Since most members of a fraternity are of higher socioeconomic status, the filtering

processes of a fraternity tend to perpetuate a cycle of biased self-selection based on similar

social behaviors or cultural taste. According to Bourdieu, class is an indicator of one's tastes

in food, culture and presentation and translates into one's social orientation (Bourdieu,

1987). These internalized, embodied social preferences dictate how members of an

organization can carry themselves in order to express "fit" within a group. In effect,

fraternity brothers come to embody social behaviors that are "likeable" in the fraternity

and the finance workplace, leading them to reproduce that social structure through

automatic and reflexive practices. Given the similarity in background and seeing that

personality and behavior are shaped by social contexts, fraternity membership becomes

contingent on social and behavioral homophily.

Once rushees become official brothers of the organizations, network structure of the

organization indicates emotional attachment and closeness in the group. In Paxton et al.'s

study of involvement in a sorority, emotional attachment to a group included an "identity

mechanism" (how strongly individuals see themselves in the group) and an "affective

mechanism" (how happy they are to be members) (Paxton and Moody, 2008). Measuring

centrality and individual involvement in activities, they found that more network-central

individuals and individuals who contributed to organized events felt more sense of

belonging (Paxton and Moody, 2008). Furthermore, these high levels of emotional

attachment indicated the "internally tight-knit" quality of the group and the high amount of

"cross-cutting ties to the rest of the group," leading members to not only feel strong ties

with other in-group individuals but also with the "symbolic representations of the group itself" (Paxton and Moody, 2008). Though this study is of a sorority, sororities and fraternities function in similar ways of social exclusion and holding common values (Stefans et al., 2008).

This emotional attachment also illuminates an aspect of fraternal loyalty and willingness to help in personal and professional matters as well. The fraternity pledging process heavily uses the concept of brotherhood to emphasize and "teach" pledges to practice loyalty and utmost secrecy in order to protect the chapter and brothers above all else (Martin & Hummer, 1989). It was observed that brothers used secrecy as a "boundary-maintaining mechanism" to keep outsiders and criticism out, as well as to preserve the longevity of the organization. These are practices that were imposed onto pledges during the pledge process, which is meant for new brothers to prove their utter loyalty to each other. The understanding of the uniqueness of fraternity and sorority closeness helps for a deeper study of the willingness to provide insider job information to in-group individuals.

Network Mobilization & Activation in Job-Seeking

Given the emphasis on trust in fraternity culture, I hypothesize that fraternity members are able to benefit from deep and close networks, rather than wide and weak ties, which non-Greek Life members must depend on for networking. However, this is contrary to previous studies on information flow within social groups. Individuals who are a part of multiple groups are said to span structural holes, and in effect, have more access to different kinds of information and gained considerable advantages, in terms of transferring and using valuable information (Burt, 1992). Furthermore, individuals who span structural holes would be able to combine all the ideas and information they've gained from these

different resources. Similarly, Grannovetter argues that when searching for job information, it is those weak ties that provided diverse kinds of information about jobs that one, otherwise, wouldn't have had access to with just their close, strong ties. Non-Greek Life members I interviewed, however, were heavily involved in, on average, 3 more on-campus student organizations than fraternity members. These student organizations were both finance-oriented and non-finance-oriented. Yet, these members still had considerably less kinds of information or didn't have the "right" kind of information pertaining to finance recruiting. Brothers of fraternities, on the other hand, were the individuals who had the guaranteed referrals to first-round interviews and the knowledge of networking during recruiting.

Specifically, on Wall Street, firms are not only dominated by secret fraternity handshakes and mottos, but usually send fraternity members from Goldman Sachs, Citigroup, etc. on recruiting trips, "where they could tap people from their [fraternity] houses for interviews ahead of other candidates, some more qualified" (Abelson & Faux, 2014). Bloomberg's study of the amount of fraternity members in finance yielded that the Sigma Alpha Epsilon fraternity, alone, "has sent almost 3,000 men into finance, according to resumes on LinkedIn, which shows no other industry employing more than 1,800" (Abelson & Faux, 2014).

In another study of social networks in job search, "students who receive[d] job help and advice from other fraternity members [were] much more likely to enter the high paying field of investment banking and financial sales and trading" (Marmaros & Sacerdote, 2002). Students who were fraternity brothers and used fraternity connections were 38% more likely to receive and accept offers in high-paying roles (Marmaros & Sacerdote, 2002).

Using a "three-signal setting," Popov and Bernhardt modeled the preferences of fraternities and firms in recruiting differently-skilled students and found that under the condition that students are intermediately-skilled, but had higher socializing skills, firms actually believed fraternity members to possess greater skills than nonmembers (Popov and Bernhardt, 2010). Recruiters and bankers further claimed to "want to hire people and bring up people you can get along with," emphasizing the potential to be drinking buddies after work as more important than a great GPA (Abelson & Faux, 2014). Rivera's research strongly substantiates the likeness between candidates and employers that are preferred in job-seeking endeavors. This socially dependent referral system is further maintained with every recruitment cycle when fraternity members are usually tapped as head recruiters at their respective schools.

In another context, deficiencies in access to better-paying jobs for the black urban poor were found to be inextricably tied to functional deficiencies in their job referral networks (Smith, 2005). Factors in creating referral networks and decision-making behind tie-making relied heavily on making individual contact with the referral, establishment of trust, along with the status of the job-seeker and job-referral. Without the trusted information flow from referrals or community-backed sanctions, the black and poor job-seeker would be routinely excluded from social and economic exchanges in job networks. Even though the social context of her study and this paper are different – Smith focuses on the poor – the findings on the structural mechanisms of social capital in career prospecting are important in understanding the deficiency, or excess, in my study's case, of privileged social networks. On the other side of the coin, fraternities, like families, serve to build trust among "brothers" by association.

Most studies on career mobility and job information flow largely focus on low-skill and low-wage labor jobs. From this study, I show the routes finance candidates take in order to land prestigious jobs on Wall Street. Brothers are able to rely on dense networks of strong connections within their fraternity, alone, as a base to building referral networks at each firm they apply to, which helps them to fast-track their applications immediately to interviews. I show how the college fraternity serves as a pipeline to the highest-paying and socially prestigious jobs on Wall Street.

Brief Overview of the Finance Recruiting Process

Formal finance recruiting starts every year during fall quarter where candidates flock to informational sessions and are invited to formal networking events. At these events, candidates have the opportunity to interact and socialize with bankers. Depending on prestige, different firms usually have GPA cutoffs of 3.5 or higher, but with the high volume of applicants, most applicants have a 3.8 or higher, making "standing out on paper" harder year after year. After a generic resume drop, candidates go through a first-round interview, which involves a 30-minute phone screen. They're asked both behavioral and technical questions. If candidates make it to the final-round interview, they're flown out to New York for a full-day "Superday" where they engage in four rounds of half-hour back-to-back interviews, with a mix of both behavioral and technical questions. Sample technical questions include "Walk me through a DCF (Discounted Cash Flow)" or "List the main components of WACC (Weighted Average Cost of Capital)." At this "Superday," candidates also have the opportunity to meet the most senior directors of the firm, in hopes of impressing them at networking events. Official offers are extended if candidates succeed. The process is long and competitive, pushing young recruits to start networking for

information and preparing for interviews almost 9 months before applications are even formally due.

Data & Methods

In order to better understand how these social networks function in the lives of fraternity members vying for finance positions, I draw from 12 in-depth interviews with fraternity members at the University of Chicago about their social activities and experiences recruiting for finance, either for internships or full-time roles. These male students come from 6 different IFC fraternities on campus and are relatively involved in their fraternities. They were all involved in finance recruiting events for full-time and/or internship positions. This study focuses on the experiences of finance recruiting at the University of Chicago because of the school's uniqueness as a highly ranked, prestigious school (tied for third in the country), but also of its reputation for accepting students who are known for their quirky, nerdy personalities – personalities that are seen as "socially annoying" in finance.

I chose to only interview Greek participants who had previously interned for a summer and subsequently, received a return, or full-time offer at the following financial institutions: Bank of America Merill Lynch, Citi, Goldman Sachs, Credit Suisse, Morgan Stanley and JP Morgan. These institutions are known as "bulge-bracket" firms and were chosen because of their prestige, their historical, cutthroat recruiting processes and the relatively large role they played in 2008 financial crisis.

Interviews with fraternity brothers were conducted in four main parts: 1) family background, 2) rush/recruitment experience and fraternity social life, 3) their networking experiences in the finance recruiting process, and 4) their networking experiences on the

job. These interviews were semi-structured and were adjusted depending on the themes of

social capital and fit that brothers revealed to me throughout the interview. Data from

these interviews help to illuminate insight on how they navigated through the social circle

of their respective fraternities and developed important connections to gain an edge.

In addition, I also interviewed 8 students who are not involved with Greek Life,

whatsoever, and were either successful or unsuccessful in receiving job offers from the

aforementioned financial institutions. I chose to conduct in-depth interviews with these

individuals as well to understand the difference in access to fraternity-based social

networks and related social spaces on campus. How did non-Greek members go about

connecting with key stakeholders within each firm to even access vital information about

recruiting? Through these interviews, I hope to shed light on mechanisms through which

less privileged and less socially involved individuals must take to step foot into these firms.

I will draw a comparative analysis between access to Greek networks and lack of them in

recruiting by drawing on participants' resentment from the lack of important connections

and other negative feelings towards the recruiting process. I chose not to consider race or

gender as factors that played into effectiveness in "cultural matching" or exclusivity in

recruiting here, but I do not ignore that socially exclusionary processes in finance do

largely run on social, racial and gender cleavages.

Each interview lasted 1 to 1.5 hours and took place in library classrooms, study

rooms and cafes. Through convenience sampling, I obtained study participants in order to

gain the most accurate representation of social connections that exist within fraternity

social circles. Non-Greek Life members were also obtained through convenience sampling.

In the absence of publicly available information about fraternity members in finance, I hope to gain a more "insider" view of how social networks are used for professional purposes and why socially-oriented connections are more heavily weighted in finance recruiting. The social and professional connections made by Greek members, or highly social students are largely tied to one's knowledge of social capital and the nuances of "cultured" behavior. These behaviors are hard to quantify and describe, unless through qualitative methods that emphasize the lengths that candidates have to go through in order to impress recruiters, analysts, associates and senior managing directors at finance firms.

Upon completing interviews, I used Scribie transcription services to transcribe my interviews. Then, I coded these interviews, identifying themes of aggressive social networking within and outside of fraternity walls, distinct strategies used to impress human resources, as well as other information channels that made it easier to pass down valuable information about recruiting. All interviewees and fraternity names have been changed in order to protect their privacy.

Through this ethnography, I show how the finance recruiting process uses "social adeptness" and "exhibition of cultural fit" with current bankers as filters in sifting through candidates' resumes and judging their "would-be" abilities on the job. I argue that the college fraternity itself functions as its own filter of cultural and social prowess that, later on, serve to set up fraternity members for success in not just finance recruiting, but on the job as well. The following is an extension of Rivera's study in that I will examine recruiting process through the lens of candidates – how they perceive their own cultural fit and learn to navigate their pre-existing connections within their fraternity *in order* to gain entry into these privileged spaces.

Results/Interview Analyses

Front-office roles are the highest income-generating positions and are highly coveted for their prestige, high, first-year salaries, and exit opportunities. Because of the level of exclusivity in finance recruiting, large banks tend to attract candidates who already occupy socially prestigious spaces in society and in college: notably, "hardworking" students in traditionally, predominantly white fraternities. Entry into fraternities, themselves, often require previous relationships with current members in the organization, as well as the ability to gracefully navigate social spaces, like parties and recruitment ("rush") events. The social processes in which members needed to go through greatly replicate the social processes in which finance recruitment requires as well. First, I will give a brief overview of the importance of cultural fit in fraternity rushing and draw comparisons of similar "cultural matching" strategies in the recruiting process.

Rush: Cultural Matching in Fraternity Recruitment

The recruitment process for fraternities on-campus is very unstructured and usually entails a week of loosely organized social events. The meet and greet events typically include parties, brunch and dinners with brothers, etc. For most, the road to fraternity life was started way before fraternity brothers even got to campus their first years. When asked why he rushed a fraternity, Darren, a fourth year returning to his Analyst position at Goldman Sachs, immediately answered, that he joined Sigma Chi because he knew Simon. They "went to the same school and were from the same area. Before school, Simon had reached out to me beforehand, saying that I would be a good fit .... So like I knew I was going to join [Sigma Chi] before I even got to campus. I also knew 3 other kids from my high school in Sig[ma] Chi. So it made it really easy and natural."

It turns out having access to fraternity life wasn't an accident at all. Knowing existing brothers from their hometown made rushees aware of fraternity rush, first of all, and propelled them through the process "in an organic way." Because Darren had a previous, strong relationship with Simon and shared similar values, due to their similar background, Darren trusted Simon that he would fit into the fraternity. Just his word convinced Darren to check out rush before he even got to campus. Similarly, Zach agrees that "all the same people who come to this school... [are] like a big feeder into frat life here."

Current fraternity brothers pulling in their high school friends to rush was so seamless that Terry, a third-year fraternity member, said that he "didn't even know [he] was being rushed" when his high school friend invited him to a few fraternity events. After attending a few parties and staying with a brother over Prospective Student Weekend, he felt like being in a fraternity was the "right next thing to do." Furthermore, Terry felt that "being around people who are striving and performing well in school and also being with people who are like [him] keeps [him] motivated." It's more than just feeling comfortable around a group of guys, but it was the familiar likeness in past experience, future goals and academic ability that attracted Terry and Darren to fraternity life.

High schools that fraternity brothers attended served as important points of contact to build community of like-minded individuals on campus. This brings into question of how much fraternity involvement can be determined by family background and social status. Darren emphasized that he trusted the brother that rushing a fraternity would be a good idea because of their "similar values." Having grown up together gave him reassurance that fraternity life would give him a second family at college. Joining an organization where

brothers were guaranteed close peers who shared similar ideas and social background eased their transition from high school to college.

This strategy of active rushing serves to filter for "similar values" that current brothers already shared with and developed together while growing up. This recruiting strategy, along with the high dues that fraternity members must pay every quarter affected the socioeconomic diversity and set of values rushees came to college with. Daniel's fraternity, for example, is more ethnically diverse than the larger and older fraternities on campus. He was proud of how "diverse [they] are," saying that "it's less than 30% East Asian, more than 30% south Asian and the rest is like everything else… it's super diverse… but, it's not like super economically….everyone's well-off. Nearly everyone pays full tuition." The average income level of fraternity members demonstrates the concentration of socioeconomic elite-ness at the extreme. Similar socioeconomic and geographic backgrounds among brothers and rushees facilitated the recruitment process and made the organization, itself, robust. In effect, social background wasn't important just to build camaraderie around these values, but it was a practical way to check whether or not brothers were financially and socially compatible, as a brother.

Even though a potential brother had strong pre-existing ties, the importance of those connections only determined entry into fraternities *to a certain extent*. Just because a rushee was of higher socioeconomic status didn't grant him an automatic bid. Rushees still had to prove their social worth and demonstrate that they could fit in with the personalities and ambitions of the existing brothers. Fraternity brothers revealed three factors that constituted "fit" for a fraternity: 1) Were rushees interesting and fun to talk to? 2) Did rushees mesh well with current brothers? 3) Are rushees ambitious career-wise?

When socializing with rushees, Darren, asks himself "Are you interesting?...ideally...I would want them to have a good head on them." Rushees had to be "fun to talk to as well as hav[e] substance." When pushed to define what "interesting" meant, Alex, who's a returning full-time analyst at Bank of America, said that rushees had to exhibit strong interest in anything, as long as it was something different. He took a liking to a rushee "who has a 100K subscribers on his YouTube channel. He does it on video games. It's just.. he's interesting and he's doing interesting things..." It's safe to assume that being a gaming YouTuber is not a cheap hobby – costing upwards to $1,500 for a basic gaming setup. Perhaps, the rushee's interest in gaming signaled a certain level of "classed" behaviors and tastes, which likened to current fraternity brothers.

On top of showing "interesting-ness," rushees were also judged on whether or not they would meld well with the personalities and attitudes of the current active house. This involved making engaging conversations with brothers at rush events and being able to socialize with various kinds of people. When asked to recount his own rush experiences, Zach thought,

> "I think they wanna see that I'm a social person and I'm like not usually. But that's ok. Like can I carry myself very well in a social situation? They want to see that I have goals and interests and have a personality and make sure it's not a clash of personality with people in the frat. At the root, a frat is a social thing."

There were various ways different brothers defined "interesting-ness" – some attributed it to being able to have good conversation, while others attributed it to interesting hobbies, like Alex and his "YouTuber" rushee.

A consideration of who could contribute to the organization was someone's ability to socially blend in with the current brothers and not stand out too much. Rushees being able to fulfill this requirement largely depended on what each individual brother was

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looking for. Since there was no formal ranking system of rushees, brothers were able to

practice wide discretion of what traits they preferred over others. For Terry, "It's more of a

feel thing…literally within 15-20 minutes, I can already know if they'll fit in and how they'll

fit in."And again, Jackson recounts a conversation he had with a potential rushee:

> "I don't really care what they're interested in, but just if they're interested in
> something … just a few days ago I was talking to a rushee who was really into
> cooking and then we started talking about Asian food and seafood. I'm a big "foodie"
> so I loved that conversation it's kinda things like that, they're easy to talk to."

In measuring the rushees' food tastes, Jackson was bonding over common experiences,

while evaluating the rushees by cultural similarity to himself. This strategy made the entire

rushing experience "less stressful" for brothers. Furthermore, in line with research on the

connections between food taste and culture, members of higher socioeconomic class

usually take a better liking towards omnivorous foods, but also take part in the rising

"foodie" culture (Johnston and Baumann, 2010; Peterson and Kern, 1996). The similar food

taste didn't just bond Jackson and the rushee, but also signaled to Jackson the rushee's

highbrow culture and tendencies towards upper-middle class preferences. Existing

brothers used hobbies as markers for being interesting and evaluating rushees on their

compatibility with the current active house based on socioeconomically-dependent factors.

Could "fit" be just a euphemism for social class?

Investing in a rushee also meant ensuring that they would be an exemplary walking

image of the fraternity. On the topic of representation, Terry said,

> "Success is important because the sustainability of the fraternity is wanting to
> succeed and striving for excellence you know. Everyone is an individual rep of the
> frat. And like whoever we bid can't spread a bad name and it's about reputation. We
> usually ask ourselves like "Are they going to maintain the image that we want to?"

Rushees' individual ambition to succeed in school, as well as professionally, was crucial to presenting a good image of the fraternity and preserving the longevity of the organization, itself. On top of financial and social compatibility, ambitions and career goals had to align, as well, with the rest of the organization. Career ambitions signaled future income earnings of brothers that would help to maintain the inter-fraternity referral networks in various, high-earning industries, which will be touched on in a later section.

On the other hand, for some rushees, who didn't know existing brothers from high school, took the concrete benefits of being in a fraternity more seriously. Initially when Daniel, a 4th-year, Zeta Psi fraternity member, was in high school thinking about college, he didn't think much of fraternities, until he met a brother at a party first week of college. Even before officially being initiated in the fraternity, Daniel was already thinking ahead about the potential professional benefits he would've gained as a brother.

> "I thought frats were weird and like they were kinda like cults you know. But then I came here and met some of the Zetes, everyone seemed super nice and like I was thinking that they would help me get a job later on … my parents were more supportive about it, surprisingly and you know they thought it would be good for my future. For like connections, and career paths and everything."

Though his parents had no Greek affiliation, even Daniel's parents and family had pushed him to think about his post-college career, even as just a first year.

Potential fraternity brothers who had no previous ties to the organization, also had to more heavily rely on their social skills to receive a bid from a fraternity. There was endless emphasis on the "fit" of a brother and acting "cool." Because he didn't know any brothers when rushing, Marshall, a 4th-year returning to his Analyst role at JP Morgan, had to be aggressive and "shameless" when it came to meeting brothers. When asked about the importance of sociability during rushing, Marshall thought,

"it's beyond crucial to be like.. "Hey I'm Marshall.. whatever".. it's about being like willing to talk to people and also being interesting. Really like engaging with people in the right way. I didn't know anyone in DU for instance, for me ... It was just through a good, organic way... So I would say it's ¾ organic and ¼ knowing someone."

Similarly, Alex believed that "it's really on the [rushees]... it's not entirely connection-driven...it's... socially meritocratic." Even though knowing someone was important in getting pulled into a fraternity, it wasn't everything. Rush is a highly social process, with "people everywhere and a lot happening," as Daniel described it, and required rushees to constantly engage with brothers and make themselves known within the organization. Though, for some rushees, social background dictated their awareness of fraternity rush, but socioeconomic status, alone, never dictated acceptance into a fraternity. It took a combination of exhibiting ability to socialize well and demonstrating likeness with the brothers that gave them bids.

Constantly scheduled brotherhood and socializing events also gave younger finance candidates an indirect benefit during the networking process. The ability to socialize during early years of going through fraternity recruitment and parties throughout fraternity membership highly benefitted when it came to recruit for finance positions. Even though Daniel, Darren and Marshall mentioned that they wouldn't consider the people they've met in Greek Life to be their core group of friends, Daniel, realized that "the bonds [he's] made" throughout his years in the fraternity really helped him, *especially* academically and professionally. Upon arriving at college, Daniel felt like it was rather difficult to find people who thought "on the same wavelength" as him and being in a fraternity, it "also helped [him] socially, from a confidence and business standpoint" and he just "liked having people who [he] could explain concepts and do homework like in classes

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and stuff." Being a part of an expansive group of academically driven individuals privileged members on insider information on useful classes and advantageous extracurriculars to join on campus that could aid in job recruitment later on. Like a regular family would, the fraternity acted as a support group for academic and non-academic problems and "fostered community among men." Perhaps, a fraternity, as a group of college-aged men, serves as an alternative model for a family unit and acts in similar ways when delivering social benefits to its members.

Being that fraternity life and rushing Greek Life are highly social activities, brothers are extremely well-versed in holding engaging conversations and presenting oneself as interesting in various kinds of social situations. Even gaining access to rush events involved both knowing current brothers and "connecting" through "engaging conversation." Not only are these "standards" hard to justify or judge, but these brothers were essentially initiated into an organization through a social process that checked for sociability characteristics that mapped onto characteristics that are favored in the finance workplace. Both sustaining an interesting conversation in a short amount of time and showing a favorable working attitude are important for both social atmospheres.

Social Meritocracy in Finance Recruiting

The social training brothers received from fraternity membership set them up for the aggressiveness of networking during recruiting – whether on phone calls or at informational sessions. Because so many high-achieving students recruit for finance positions at top schools, there's no real way to legitimately test for everyone's technical skills. As a result, constant networking with current bankers at desired firms is a way to distinguish oneself from the stack of resumes. Networking events and informational

sessions, sponsored by different finance firms, were opportunities to get "facetime" and exhibit cultural fit and likeness with recruiters and analysts. Each informational session started off with a brief presentation on the company and the rest of the time was allotted for "asking questions" with representatives from the bank. This was valuable time for candidates to "make themselves known" to recruiters. Even though this study does not include firsthand accounts of recruiters' perspectives of judging candidates, the brothers I spoke with talked about what they perceived they were being judged on through fraternity guidance that was given to them.

Jackson, who's president of his fraternity, painted the process of networking as "a test of EQ and how much you can hold a conversation... how personable you come off... but I feel like a limit of that is set so low that it's very easy to do but for some people it's hard to do so they filter them out." Similar to fraternity rushing, analysts or recruiters at each finance firm needed to see or hear, firsthand, whether or not candidates were engaging, sounded smart and would be a "good fit" at the firm. Jeremy, a 4th-year who isn't in Greek Life. attributes the importance of likeability to the competitiveness of the process:

> "This job ... [is] very long hours .... kids need to be likeable, sociable ... and especially from UChicago people ... they have that [awkward] stereotype so they gotta make sure kids aren't like weird ... there's just so many kids that's the thing.. 200 kids with 3.8 in econ... how do you differentiate yourself and [networking] is like a way to differentiate yourself, get on the phone, talk to someone, connect with someone... and a lot of the times it's a hit or miss... it's kinda a crapshoot."

The need to engage in numerous networking calls ties into the competitive and arduous nature of the investment banking job. With long hours and weekend projects, the people you work with either make or break the job. Jeremy says "at 2am in the night is usually where people determine whether they like you or not... because that's when you're really f**kin' tired and you [still] have to perform." Analysts at the firm would much rather work

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with someone they could get along with, than someone who's technically good at the job but "boring."

The process of scheduling and holding networking chats can be long and laborious for both fraternity members and non-fraternity members. In Darren's case, it was a rather smooth process for Greek Life members like him:

> "I didn't mind it honestly. I thought it was interesting… it's kinda like rush you know like you're just tryna get to know people and know things about what they want. So like my best tip for networking is like.. to.. like… ask them what they do.. do your research and say things that's germaine and specific to what is interesting to that person. Because I mean like these guys… are constantly talking to kids, some of them are a f***n drag, and like you really need to stand out from a phone call.. or to like a drunk brother at a pregame … or something."

Because Darren seemed to be comfortable being put in various social situations during rush and rushing new brothers, he felt like he was able to conduct "interesting" conversations with busy finance analysts with whom he would've never even met. Being forced to host parties and talking to strangers at many social events and parties gave brothers the space to collect knowledge and experiences around handling fragile social situations. Fraternity experience, in a way, set them up for success in stuffy, crowded rooms at informational sessions and networking events, or a fast-paced trading, or front-office floor, where it's hard to stand out. In turn, social finesse was a constructed lifestyle where brothers were fed into a social system that essentially "trained" them for these networking situations.

On the other hand, Camila, a non-Greek Life member, was ill-prepared for the onslaught of networking that she felt "required" to do. Camila recalls her first J.P. Morgan informational session and immediately talks about how nervous she was.

> "It's interesting when you find someone you click with so you can talk to them and not feel like a pain. For most people that I tried to network with, I feel just so

awkward and I have to laugh at their jokes but they're not funny but I have to laugh…they have so much power over how I can act and stuff."

Camila is a part of four business-oriented organizations: Smart Women Securities, Maroon Capital, Women In Business and Trott Business Program – none of which she said would've prepared her for the social stress she was put under during informational sessions. These organizations did not have any rush or pledge process that obligated club members to bond with each other or hang out with each other for extended periods of time, like fraternity members. Camila only considered people she knew in these organizations as just "acquaintances" and didn't always feel comfortable to ask for advice because "everyone was in a sorority," which she didn't partake in. Because of this, she had to learn, through experience, to literally change her mannerisms and the subject matter she talked about in order to match to the interests of the recruiter or analyst she was talking with.

> "Like I will literally look at them and try to guess what they like and what they're interested in. If she's Asian and she's from New York, like that's easy… versus a white guy who talks about sports, like after a while, it's easy to tell..but I don't watch sports, … at all… so I'll try to talk about the sports that I know.. whenever I'm home in St. Louis like I literally learned football from my cousin and like we play it too so I could talk about it..."

Camila took on almost an entire other hobby to understand the inner workings of the game and the NFL so that she could find common ground with recruiters. Unlike fraternity members, Camila lacked the social experience and precursor knowledge that would've prepared her for constant conversing with firm gatekeepers.

When asked how fraternity brothers utilized the time they had talking to recruiters, Marshall, again, emphasized how he used his aggressive "shamelessness," like how he did during fraternity rush:

> "For info sessions, it was so good to be like "Hey I'm [NAME], how's it going?" … Kids don't do that and I just don't get it. Kids are shy and intimidated. And it's just like

"don't be." I always have some corny joke to crack. It's always super hot in the room maybe because they're so many people... I just comment on that or say something stupid just to break the awkwardness."

Marshall used creative tactics to liken himself to firm representatives and warm up the conversation. Similar to the recruitment process, the ways in which finance candidates, in fraternities, must navigate to receive first-round interviews at highly regarded banks wouldn't have been possible without referrals that were facilitated by sociability characteristics. The recruiting process did not just involve submitting an application online. Since first-round interviews aren't fully dependent on credentials and GPA, finance candidates typically must attend up to 1-2 informational sessions and networking events *per firm*, engage in up to 50 networking calls with first-year analysts, managing directors and human resources directors *per firm* and study for technical interviews, all to "stand out" and make themselves known. Of course, those network-privileged enough to receive this knowledge beforehand were at a severe advantage, compared to their counterparts.

Informational Flow through Mentorships & Alumni Networks

Access to information of the overall recruiting process and its timeline is crucial to success. In order to even recruit "the right way," one had to truly understand the structure and flow of the recruiting process, from the firm's view. Deep alumni networks *and* mentorship with older, current brothers provided candidates with the firm's unique perspective through different kinds of firm information. Connecting with alumni and experienced brothers allowed fraternity members access to 1) more diverse information on application timelines, 2) information on how to study for technical interviews 3) information on how to network and 4) "guaranteed" referrals to flag their applications directly to human resources. Alex, who's from one of the largest fraternities on campus,

says "a big part of" him originally rushing "was about jobs and access to alumni…at different companies and financial services…. It's a perk of Greek Life… you get access to these guys who are able to basically guarantee us interviews."

Because of deep alumni networks, brothers of older fraternity members had a stronger network of alumni to reach out to for information on distinct finance firms. There isn't a general how-to guide that outlines the ins and outs of the recruiting process. Darren explains,

> "The information market is imperfect so [my fraternity] really helps you close that gap. Like me.. I didn't know anything about finance. If you asked me what a bank did back then I'd be like oh yeah they take your money and reinvest it … so I only knew very surface level knowledge … So you get great resources through that. Like, socially it's structured much more. Like in terms of specific events to go to at the fraternity like you wouldn't have access to that. And if you weren't in a fraternity, it's a lot more discreet.. if you weren't…more one-off if you weren't. You have to work harder if you weren't in a frat.

And indeed, it *is* a lot harder to access finance-pertinent information if you weren't in Greek Life. Along with Camila, Christian, another non-Greek Life member, also participated in and held multiple leadership positions in five on-campus organizations: Maroon Capital, Trott Business Program, Model UN, MUNUC, and International Leadership Council. Despite being more involved in more organizations, Camila and Christian didn't have people or other senior leaders in the club who were invested enough in them to volunteer insider information about recruiting. Christian recalled "agonizing" over any LinkedIn connection or "literally anyone he knew" at school to offer up any kind of information that could help him during recruiting. When on a networking call, Christian spoke of "how hard it was," sometimes, to find something in common or have something interesting to talk about with the recruiters. Because the organizations they were a part of didn't require socially rigorous recruitment practices, Camila and Christian didn't have the

social backing of close-knit organizations to provide information or mentoring throughout the recruiting process. Weaker social connections mattered more to non-Greek Life members, but those connections still didn't provide the "insider information" that was valuable *enough* – information that fraternity brothers were getting from their strong relationships with their fellow brothers. For Camila, she knew that every piece of information she got was "pretty general" and she "found that [she] wasn't really learning anything new from each call."

Access to social fraternity networks gave brothers a more straightforward way of getting to applications that weren't as well-advertised, as well as obtaining information about what to expect from interviews. Terry, for example, came to know about JP Morgan applications becoming available when his fraternity "big", "Marcos just sent [him] a link and told [him] to apply the day they were due," even though initially "it didn't cross [Terry's] mind to apply for JP [Morgan]." Again, Marshall's good friend,

> "Stefan, who had done the same internship as [him] the year before, like I was in tech before, and [he] just hit me up and said "Yo dude, you should do S&T it's a good fit for you.. like you have a computer science and math background."

Initially, both Terry and Marshall didn't show strong interest in these positions, but it was their brothers who approached them about applications and convinced them to apply, because of their own finance experiences. Because Marshall was working in a completely different industry before, he had no way of understanding the application process or when deadlines were, if his brother, Stefan, had not brought it up to him.

Older fraternity members also mentored younger candidates on *how* exactly to network on networking calls. Marshall, who had interned in the tech industry prior to recruiting, had no idea what a networking call even was:

"I remember I had a call the next day and I was super nervous and didn't know what to do. I called up Stefan … and I was like what the f**k do I do? I had a list of questions written down and I showed him the questions … Like I asked him "Can I ask him about this topic?" And he'd be like super honest and be like "No. Don't do that.. do this." Stefan was a big resource for me for sure... He literally sat me down and told me exactly what to say, how to say it."

Similarly, when it came to studying for the technical portion of the interview, finance candidates turned to their fraternity mentor for either direct help or help through a second-degree connection. Darren, who recruited for finance as a confused 2nd year,

"but like through Harry (his fraternity big brother), I met someone at Goldman [Sachs]. He literally got on the phone with me. I think we had a 3 hour call one day and he told me "This is what you need to know. This is what you should expect on the call and should be studying." Like it was very blatant."

Fraternity members didn't necessarily have to actively reach out to members to gain information, but rather information and mentorship opportunities were, more often than not, pushed onto younger finance candidates, like Darren and Marshall. Without these connections, Jeremy, another non-Greek Life member, recounts the struggle of learning through mistakes he had made on previous networking calls. He felt like there was "no way to practice networking calls" and, as a result, "burned a lot of bridges" because of bad impressions he had made over the phone. Unlike fraternity members, Jeremy, Camila and Christian didn't have the trust that brothers had with each other within their respective finance organizations, in order to reach out to their "acquaintances."

Essentially, the fraternity, itself, acted as a point of information transmission about the ins and outs of the finance recruiting process. For Marshall, the knowledge and the skills to hold an engaging conversation on the phone with a stranger were curated through guidance of an older fraternity brother, who went out of his way to help him. Marshall's own experiences of navigating the process of networking and speaking with various

analysts were largely facilitated by Stefan, the older fraternity member. Because of Stefan's strong willingness to give advice, Marshall was able to employ strategies to stand out during a mere phone call with an analyst. Stefan's specific "coaching" process of walking Marshall through "exactly what to say" eased him through every networking chat and in effect, cemented his business acumen and soft social skills to successfully get through the process.

On the other hand, Mike, a third-year non-fraternity member, blamed the fact that all the school's recruiters were past fraternity brothers to his failure of securing an internship position last year. He felt resentment towards the brothers of "DU (Delta Upsilon) and Psi U (Psi Upsilon)," the larger fraternities on campus, because they "have such deep networks that when it comes to finding a job it's not about trying your best finding these people and it's just like "call a bro" "call a bro."" As another example, he knew that the "J.P. [Morgan] recruiter used to be a DU" and he would've felt uncomfortable reaching out randomly due to the lack of a second-degree connection to him. As a result, he completely missed the recruiting cycle last year and "had no idea" that the recruiting season was pushed up an entire quarter earlier than the previous year's recruiting cycle.

Fraternity membership offered Daniel, Marshall and Darren the insider resources and deep referral systems to navigate the recruiting process. Along with being a coach, older fraternity brothers also served as referral points to help bring younger brothers not just into a bank's door, but towards securing a first round, and sometimes even a final round interview. Daniel mentioned that he didn't even have to formally apply to the online job link on the Citi website. He had had a brother give him a personal referral, which opened the backdoor for Daniel to receive a first round interview. "Like when I was on the

phone interviewing with the recruiter, like the guy was just like "Oh yeah I'll make sure you get a final round interview.. but like we don't have an application from you so just apply online as a formality you know." Because Daniel had that referral and personal recognition of his resume by the recruiter, he didn't have to go the traditional route of even applying for the actual position! The recruiter had immediately recognized his name and gave him the "go-ahead" for a final round interview.

The purpose of networking was not only to obtain information about experiences on the job, but also to build referral ladders within each firm. A lot of these networking calls and info sessions weren't actually necessary for the content of these interactions, but rather for the opportunity to "get the person on the phone to refer you to someone else" so others can talk to brothers about their experiences on the job. If you already had a previous connection to the firm, which many fraternity brothers did, attendance at these events was basically "for show" and an extra opportunity to exhibit cultural fit, in person, to those working at the firm.

Scheduling and speaking on calls became routinized and "not a big deal" because it wasn't the content that mattered but the next referral that could be offered to them after the call. In-person or on the phone, social interaction helped the current employees confirm the social adeptness of the candidates. These few minutes of conversation could either make or break you. Investment banking is largely a client-facing business, causing recruiters and managing directors to constantly ask "Can I put this person in front of a client?" while speaking with candidates. Because many clients of "bulge-bracket" firms were "big fish," as Christian called it, firms had to pick entry-level analysts who had the wherewithal to face off to "cultured" clients and fit into their cultural tastes. The need to

employ analysts who were well-versed in client behavior is another justification for measuring candidate ability through sociability during these networking sessions. Not only did the information transmission benefit brothers, but the nature of client interest gave fraternity brothers an edge on the job as well.

Emphasis on Cultural Fit on the Job

Networking before receiving an offer was only half the game. Continued networking on the job and establishing strong, positive connections could mean receiving a return offer or being left jobless at the end of the summer. Once he received the offer, Daniel learned from another brother that he had to hustle to get placed in the group that he desired at Citi. Even though Daniel didn't have experience in networking to get a first-round interview, he had access to the information that he had to talk to as many analysts as he could to get into the capital markets group. In order to gain access into the highly coveted capital markets division,

> "I did like 30 plus calls between January and Spring Break. It was a lot. But you know.. After a certain point, you can do it while walking between classes. You just kinda talk about why you're interested in X group. It's good to learn more about what you do. You can ask them some questions, tell them about yourself. And also asking if there's anyone else they know that it'd be good to talk to. They would refer me to other people and etc."

There was a constant pursuit of speaking to as many people as possible just to get another referral and establish diverse points of contact within the firm. Every step through the recruiting process, candidates needed to ride along the ladder of connections and those connections' connections to be favored by the most amount of current analysts on the team.

Performing well on the job required more than just producing good work – that was a given. Beyond that, interns had to 1) demonstrate cultural fit through their "likeability

and sociability" with clients and analyst teams and 2) have a "good attitude." Judgment on these standards was mostly subjective and interns were subject to the whims and demanding schedules of their superiors.

Social clout and the ability to act professionally in front of clients was ever more important in securing a return offer post-graduation. When asked what some factors were that determined whether or not interns received a return offer, Daniel felt that

> "it's 90% fit and 10% work.. because the work actually isn't that hard. Even if you mess up, you have other analysts.. who.. they'll check your work they'll understand that. It's a steep learning curve though. People who didn't get offers mostly was a fit thing... Another guy would go around every desk asking analysts for work for them to do. He also was like super weird and sent out an email blast to everyone on the floor asking for work. It was like a super cocky, aggressive way to get work to do. He just didn't really present himself well in the workplace... You just have to straddle a fine line with professionalism and being comfortable with your team."

Again, "fit" was a crucial part of the job, but it mostly meant presenting yourself well and knowing when to step into a conversation. Interns were expected to be proactive and ask for work, but do it in a likeable way. Kyle likened the difficulty of "straddl[ing] that fine line" to the experience of rushing. He said,

> "It was a ... fine line between being one of the crowd and knowing that you're an intern and working for a job and I think almost similar to the rushing. To joke around, see an intern would be like making fun of someone too much that looks really bad. [Analysts] are still in a position of power and control your job."

Traits like being "cocky" or "annoying" were very looked down upon and ostracized interns from getting the work they wanted to do, which jeopardized their candidacy for return offers. When asked what some strategies brothers employed to be likeable, Zach gave an unsatisfying answer: "Just be likeable. I know it's weird to say like be likeable because you can't be something like that, you just have to act it."

Because internships were so short (8 weeks), interns had to prove that they could do the work, but also improve their professionalism and "fit" if they weren't up to par. Asking for feedback politely at the right time and acting upon those criticisms helped increase the odds of receiving a return offer. Acting out improvement on "fit" was like tight-roping between understanding professional boundaries and trying to be close to team members. Zach recounts one of his interns who didn't get a return offer because she didn't ask for feedback enough.

> "It's hard you don't wanna step on anyone's toes, but you also want to look out for yourself. You just gotta ask the hard questions regardless of what the answer is. It's such a weird… it's strange and Hunger Games-esque.. it's also … you kinda have to be on you're A game at all times."

When Terry would make a mistake on the job, he learned that "the way you present yourself when someone corrects you is important it's crucial to have a positive attitude and take the criticism gracefully. Just do it their way and don't talk back." Analysts, themselves, were busy and weren't always available to help interns when they needed it. Interacting with these analysts meant that interns had to read their face expressions and make sure they weren't interrupting an analyst's work. "Everyone's very sensitive and sometimes you walk by someone's desk and you catch their eye and you know if you can talk to them or not I swear I know it sounds neurotic this is just what everyone does." The ability to be a social chameleon in various situations gave fraternity members an understanding of when and how professional boundaries were to be crossed. It was a given that every intern could do the work well, but interns' social performance on the job was paramount – their post-grad, future employment literally hung in the balance. The precursor knowledge that brothers had during their internships were extremely important to navigate the rigorous work environments on Wall Street in order to receive return offers.

Conclusion

When asked if he would've gotten his full-time offer from Citi without being in a fraternity, Daniel paused for a few seconds and then said, "I don't like to think of it like that… I know that I still worked hard for this… I know people like think things about frat connects, but I don't think I had it any easier." In comparison to the other non-Greek Life members of this study, fraternity brothers, whether they consciously noticed or not, clearly had an advantage, in terms of information transmission and sociability signaling to recruiters and firm representatives. Yes, fraternity brothers still had to study and put in the work to network with various recruiters at each firm. But, their position within highly social organizations allowed them "back-door," informal access to first-round interviews and "insider" social skills to succeed in networking calls that few were privy to. Despite only being heavily involved in their fraternity, Greeks actually benefited from the lack of structural holes in their networks and leveraged their strong associations with their fraternity to succeed in recruiting.

At the root of it, being a part of a fraternity organization is a signal of social status and social popularity. Through a comparison of fraternity recruitment and finance recruitment, I show how these the fraternity rush and finance recruitment processes very much continue to utilize the exclusionary practices and social status signals that fraternity organizations have been know for throughout history. Socioeconomic background doesn't guarantee fraternity involvement, but if the desire to join is there, it signals to current brothers a common set of values and social identities that allows the organization to thrive. Above all else, sociability characteristics are highly valued in order to gain entry into fraternities, where members learn to finesse presentation styles and conversation topics in

various social situations. Fraternity life better prepared brothers to face the endeavor of aggressively networking at informational sessions during recruiting, as well as on the job to secure a return offer at the bank. Members were supported by a strong community of brothers who had their best interests at heart and were willing to volunteer information and time to push them through the recruiting process.

And while many like to attribute the dominance of highly social men on Wall Street to a certain personality type, I have demonstrated how the unique social position within an organization (that implicitly constrains membership based on socioeconomic and social background) highly advantages fraternity brothers, in the first place, to become aware of and be pushed into these high-paying roles in our economy. After each recruiting cycle, the high numbers of fraternity members in finance are maintained because brothers continue to fill the gatekeeper role at each firm. Because of these "cultural matching" practices within fraternity *and* finance recruitment, the fraternity, as an institution, has been successful in preserving members' social status through generations and reproducing the social inequalities that meritocracy is meant to eliminate. The understanding of the role fraternities may play in societal inequities allows us to see that perhaps, American meritocracy may be a far-reaching myth after all.

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EDUCATION

University of Chicago, *Bachelor of Arts in Sociology*   Expected June 2018
GPA: 3.6/4.0 (Major); 3.5/4.0 (Cumulative), **SAT:** 2280 (M 780, CR 720, W 780)
Awards: $1,500 Award for Dean's Fund for Student Life to fund sociology research project (June 2017); Top 5 out of 21 teams in 2017 Deloitte Next Generation Challenge (April 2017); Metcalf Scholar; Dean's List (2014 – Present)

EXPERIENCE

Dashride (cloud-based, logistics software for ground transportation companies)   New York, NY
Business Development Intern | Loeb Enterprises Intern Program   Jun. 2017 – Sept. 2017
- Executed international expansion plan by pitching to and securing value-added reseller partnerships with Tom Tom Telematics, Cvent and Nauto to leverage partners' existing sales pipelines and distribution channels
- Recruited 11 international independent resellers to create sales pipelines, leading to 50% growth in sales volume
- Identified a $10 million growth opportunity in fleet logistics market by analyzing preliminary field research in target international market and market data research to determine market fit, market size, and direct competitors
- Developed RFP proposals for city-wide contracts by illustrating service, design approach and product quality

Chicago Innovation Awards (boutique consultancy that also serves as local business awards startup)   Chicago, IL
Business Analyst   Jun. 2016 – Sept. 2016
- Coordinated marketing outreach efforts of 1,000 Chicagoan businesses to encourage nominations of awards
- Designed new website and revised marketing strategy, leading to 25% increase in views and engagement
- Created community partner network by connecting with innovation community groups and small businesses, ultimately bringing in a record-high of 645 business nominations in company's 15-year history

Campus Catalyst Consulting (pro-bono consulting project with Chicagoan nonprofit)
Student Community Analyst | Chicago Hyde Park Village (CHPV)   Oct. 2015 – Jan. 2016
- Collaborated with team of 5 to build membership plan and long-term financial strategy for senior citizen center
- Created a financial model that analyzed how many subsidized services could be offered for up to 20 out of 100 members by analyzing financial constraints and underused services and presented findings to Board of Directors

LEADERSHIP ACTIVITIES

Edge Entrepreneurship (UChicago's only undergraduate-focused entrepreneurship organization)
President & Events Director   Sept. 2016 – Jun. 2017
- Organized speaker events (Sam Yagan, founder of OkCupid) and developed programming to promote student ventures through skills workshops for 50 members
- Led 6-member executive board to plan speaker and tech sponsor outreach and manage University relations

Alpha Kappa Delta Phi Sorority
Vice President of Service   Mar. 2016 – Jan. 2017
- Raised $3,200 for nationwide philanthropy campaign (5,000 participants) with 7-person team by planning a week-long fundraiser, in partnership with 10 other Greek organizations, national community partners
- Managed sponsor outreach to 500 local businesses and national brands to secure $5,000 worth of raffle prizes
- Part of a 5-member executive board and acted as liaison to the university, national board and external partners

Languages: Mandarin Chinese (Advanced – Simplified & Traditional), French (Intermediate), Spanish (Beginner)
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