Sample Interview Questions **Finance** 

### **General Interview Questions**

- 1. Tell me about yourself?
- 2. Why did you leave your last job?
- 3. What is your greatest weakness?
- 4. What experience do you have in Finance field?
- 5. What have you done to improve your Finance knowledge in the last year?
- 6. What have you learned from mistakes on the Finance job?
- 7. What made you choose to apply to Finance...position?
- 8. What are top 3 knowledge/top 3 skills for Finance...position?



#### **Stock Management Interview Questions**

- 1. Describe the finance functions within a company and where you see yourself fitting.
- 2. What's a Price/Earning (P/E) ratio and how do you use it?
- 3. What if 2 companies have the same value of P/E ratios, which company does you think is better?
- 4. How would you explain net present value to non-finance major?
- 5. What is our company's stock price? How would you forecast the future stock price for next year?



#### **General Finance Interview Questions**

- Can you describe a recent situation in which you accomplished an important objective in a brief period of time?
- 2. How do you take challenges?
- 3. Are you willing to work in shifts?
- 4. What is the thing you like the most in the world? Why?
- 5. What is the thing you dislike the most in the world? Why?
- 6. What does success mean to you?
- 7. What major factors drive mergers and acquisitions?
- 8. What is goodwill? How does it affect net income?
- 9. What is working capital?
- 10. What are deferred taxes?



### **Audit Interview Questions**

- 1. What the procedures or process involved in the preparation for the audit?
- 2. What is Web Audit?
- 3. What are the different types of internal audit?
- 4. What is the difference between an internal audit and the annual external audit?
- 5. What is Internal Audit?
- 6. What is meant by Single Audit process?



### **Financial Analyst Interview Questions**

- 1. How do you manage the online finance operations and describe the method to prepare a report?
- 2. What are the significant profile responsibilities of a finance analyst?
- 3. Describe a situation where you did a mistake in an important report and realized it after the submission of report?
- 4. Tell us a situation which is the best example for your ability to handle conflicts and issues?
- 5. What skills should a financial analyst possess?
- 6. If you are selected when would you like to join?
- 7. What are your academic qualifications? Name the institution from where you have done your post-graduation?
- 8. How do you rate your computer skills?
- 9. Why did you resign from your previous job? How long have you been working with your previous organization?
- 10. Do you think you're able to handle the work load of this job? How do you deal with stressful circumstances?
- 11. What stimulates you to join this field?



### **Financial Controller Interview Questions**

- As our Financial Controller you will be leading a team of direct reports and other financial professionals.
- 2. Tell us a time when you worked well with external auditors, audit committee and Board of Directors. Also, describe a situation when it was difficult to build rapport with these groups?
- 3. What is your experience is preparing and presenting financial information for quarterly and annual reports? What were some of the complexities of the report?
- 4. Describe your day to day activities as a Corporate Controller?
- 5. How you manage the accounting operations including the review of journal entries, payroll, accounts payable, accounts receivable and statutory reporting?
- 6. What process do you use to ensure accuracy?
- 7. What is the largest group you have managed?
- 8. What tools and processes do you take to prepare, analyze and present monthly, quarterly and annual operating results for each department? How is your data collected
- 9. Describe the company you worked for and how many employees worked there?
- 10. When working on a project, describe a time when you provided strategic analysis as required to drive improved decision making. What was the situation? How did you come up with your resolutions?
- 11. What steps do you take to establish and monitor internal controls to ensure that accounting activities are in accordance with established legal regulatory and company policies and procedures?



#### **Corporate Finance Interview Questions**

- 1. What happens to a company's equity when assets rise \$1 million and liabilities fall \$2million?
- 2. What does it mean when cash flow from operations on a company's cash flow statement is negative? Is this bad news? If so, is it dangerous?
- 3. Suppose that you constructed a pro forma balance sheet for a company and the estimate for external funding required was negative. How would you interpret this result?
- 4. How will a decrease in financial leverage affect a company's cost of equity capital, if at all? How will it affect a company's equity beta?
- 5. If you want to assess the health of a company and you could choose between looking at 3 years of income statements or 3 years of balance sheets, which would you choose and why?
- 6. What are some reasons why a company might tap the high yield market?
- 7. Finance managers today face many challenges in governance and reporting as a result of recent legislation and events. Given what you know about these recent news events and legislation, what difficulties do you think finance managers are dealing with today?
- 8. What could a company do with excess cash on the balance sheet?
- 9. What's the difference between IRR, NPV and Payback?
- 10. What are the impacts on earnings if a company builds a new factory using debt? Operating lease? Capital lease? Cash?
- 11. Why would a company repurchase its own stock? What signals (positive & negative) does this send to the market?
- 12. When would you take a project with a negative NPV?
- 13. What is Sarbanes Oxley and what are the implications?
- 14. Why might a company choose debt over equity financing, or vice versa?
- 15. What are the ways a company can manipulate cash flows?



- 16. What are the primary causes of bankruptcy and what are the options available to a company?
- 17. Let's say that I have a bond with a 5% coupon. What happens to the market price when the prevailing interest rates rise to 8%? How are the coupons affected?
- 18. Which corporate bond would have a higher coupon, an AAA or a BBB? What are the annual payments received by the owner of a five year zero coupon bonds?
- 19. Would you rather have \$\_\_\_ today or \$1 a day for the rest of your life? How would you go about valuing this amount?



#### **Mergers & Acquisitions Interview Questions**

- 1. What do you think of Ben Bernanke and how is he likely to differ from Greenspan?
- 2. What do you think of the economy and interest rates?
- 3. What is LIBOR? How is it often used?
- 4. What does the yield curve currently look like, and what does that mean?
- 5. What happened in the markets during the past 3 months?
- 6. Do you read the Wall Street Journal every day? What is on today's front page?
- 7. What sources of information would you use to analyze a company?
- 8. What are the factors that affect option pricing? Explain put-call parity.
- 9. If the stock market in the United States is efficient, how do you explain the fact that some people make very high returns?
- 10. Would it be more difficult to reconcile very high returns with efficient markets if the same people made extraordinary returns year after year?
- 11. Why would two companies merge? What major factors drive mergers and acquisitions?
- 12. What's the difference between I-banking and Private Equity?
- 13. Would you make an offer to buy a company at its current stock price?
- 14. If a company with a P/E of 20 acquires a company with a P/E of 15 with stock, is the transaction accretive or dilutive?
- 15. What is the difference between a stock purchase and an asset purchase?
- 16. What are the major differences between purchase and pooling accounting?
- 17. What is the current state of both methods of accounting?
- 18. What are some common anti-takeover tactics?
- 19. Would you pay more for an asset/company with a tax basis of 100 or a tax basis of 0? Why?
- 20. Macroeconomics/ Capital Markets/ Investment Theory?



- 21. Where do you think interest rates will be 1 year from now?
- 22. Who is Alan Greenspan and what does he do?



#### **Financial Services Interview Questions**

- 1. Explain the different quality services we provide to our customers?
- 2. Which is your biggest weakness which you think you are not able to overcome till now?
- 3. Do you agree with offered perks and incentives?
- 4. If you have any queries regarding the job profile, then please feel free to get them clear?
- 5. What made you discontented about your previous job? Share the reason behind your resignation?
- 6. What are your educational skills in Finance? Name the institution from where have you completed your specialization in Finance sector?
- 7. What do you mean by Finance services? How will you familiarize the customers with our products?
- 8. What is the current service tax rate in Finance sector?
- 9. Explain the private clients and private equity? Which method do you use to calculate company's asset invested in external projects?
- 10. In which conditions a company prefers a debt over equity finance?

