

# CAREER ALCHEMY

"There is a process by which you can convert your work into your passion," says Kal Ghayur, CFA

By Nathan Jaye, CFA

Kal Ghayur, CFA, is head of the ActiveBeta Equity Strategies team at Goldman Sachs Asset Management and co-author (with Dwight D. Churchill, CFA) of the book *Career Success: Navigating the New Work Environment*, a primary resource available from the Career Management team at CFA Institute. In an interview with *CFA Institute Magazine*, Ghayur discusses the importance of self-awareness as a career navigation tool, how to align one's values with career management choices, the dangers of mis-fit risk, the process by which work can potentially be made more fun, and the motivation that drove the authors to write this book.

## **What's the central message of *Career Success*?**

The basic question we all ask is: What drives success? Interviews with some very successful people (which appear in the book) give us a very specific answer. Essentially, these people say, "I love what I do, and I am absolutely passionate about my work." That's the only thing they really say. For example, Warren Buffett remarked that he "tap dances to work every morning." When asked what explains his success, another highly successful entrepreneur replied, "Perhaps the fact that I feel like a kid who goes to the playground in the morning and the candy store in the afternoon."

These responses drove the entire book. If passion, having fun, being compatible with what you're doing is ultimately what drives success, then how can we understand that? And secondly, how can we ourselves get there? Is there a process by which individuals can convert their

work into their passion? We believe that there is a process. And we outline it in the book. That's the central message of the book. If you follow the basic principles of intentional career management, you have a really good chance of converting your work into your passion and having a tremendous amount of fun doing it.

## **Why is passion so critical to being successful?**

Passion is really important. It facilitates the acquisition of many qualities, attributes, and skills that are necessary for achieving success. For example, if you're passionate about what you're doing, it fosters commitment and motivation, innovation and creativity. It keeps you going during difficult times. And, for sure, you will encounter difficult times over the span of a long professional career. Passion also facilitates the process of continuing education throughout a long career. Also, when you're having fun, when you're passionate about something, you develop an internal drive to innovate and to create. Many times you don't even feel it that way—it just happens naturally.

More importantly, at later stages of your career, if you're really passionate about what you're doing, you automatically become an inspiring leader. People see that passion in you, people see the integrity with which you conduct your work and the passion and the fun that you are having, and it makes you an individual that others are willing to follow. You become an inspirational leader for your team and your colleagues. This is why passion is just so, so critical.

### Can we really convert work into passion?

Some of us are very fortunate to be born with an incredible talent. Roger Federer was winning tournaments when he was 12 years old—it all came naturally to him. Of course, he worked hard to achieve the number one ranking, but it all started with a great natural talent. Apparently, Mariah Carey was singing in perfect pitch when she was three or four years old. On the other hand, perhaps 99.9% of us are not born with a world-class talent, and we don't always have something we would call a passion in our lives. Yet a lot of people develop a passion over time for something that they do. They become extremely successful. So, yes, there is a process by which you can convert your work into your passion.

### How does passion develop?

Well, many things have to fall in place over a long professional career for work to become truly fun. But perhaps the most important thing is that you manage your professional career in a way that minimizes mis-fit risk. In other words, those risks associated with your career which will render your career either really successful or really unsuccessful, depending on how you manage them.

### What is mis-fit risk?

Modern careers are exposed to two kinds of risk. One is an external, or exogenous, risk—corporate structuring, downsizing, outsourcing. All of those could lead to surprises in your career. These external risks are very hard to manage. Then there is an internal, or endogenous, risk, which results from career decisions that cause a mis-fit. Mis-fit refers to lack of compatibility between who you are and the career decisions that you take. At the core, successful careers and misguided careers are differentiated by how individuals manage this mis-fit risk.

If you look at surveys about why people switch jobs, the two most common answers are that they dislike the corporate environment or they couldn't get along with their manager. Both of these are mis-fit situations in which a value conflict was not managed properly. Common mistakes that introduce mis-fit risk occur when individuals do not have a good understanding of who they are, what motivates them, what their work and family values are, and which qualities and skills and talents they need to leverage. They often chose corporate cultures and jobs that are incompatible with their true values and motivations. It also happens when individuals do not clearly define their career goals and notions of success within the context of who they are.

### What's an example of mismanaged mis-fit risk?

Mis-fit risk can potentially creep in when individuals pursue a career in a profession or an occupation which doesn't actually motivate them or doesn't leverage their natural abilities. It also happens when people work for organizations whose corporate culture is incompatible with their core beliefs and values. It also happens when individuals work for managers who are not their role models, are unlikely to become their mentors, and expose the individual to a value conflict.

Mis-fit risk can be mitigated through basic principles of career management, which emphasize compatibility and fit in career decision making.

### Why is compatibility so key?

Compatibility is an alignment between who you are and the decisions you are making with regards to your career. Compatibility is critical because over time (and among other things) it facilitates the process of converting your job into your passion. An individual should, as much as possible, strive for a profession that motivates him or her and is likely to become a passion over time. Choose a job, a role, or a function that leverages his or her natural strengths. Choose an employer whose corporate culture is compatible with [his or her] espoused values. Choose—if possible—a manager whose values and management style are compatible with the individual's values and who can become a mentor. The role of a mentor, especially in the earlier stages of professional careers, is absolutely critical. Many individuals argue that they operate in an environment in which choice is imposed on them. Even if that is true, there are many different decision points over a long professional career when these fundamental principles of career management, which are geared towards compatibility, will help to mitigate or eliminate mis-fit risk.



Kal Ghayur, CFA

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### How does your career management model work?

It all starts with self-exploration. This involves understanding and analyzing our values and our skills, our interests, motivations, and personality. All these things determine us as an individual. They tell us something about what drives our day-to-day conduct and about what kind of lifestyle will make us happy or unhappy. All of this will determine whether we view ourselves as successful or not—whether our values, skills, interests, and motivations have been achieved in our professional careers.

It's important to start that process very early in a professional career. It's not an easy thing to do. It may take years for an individual to gain a reasonable awareness of who they are and what they want to achieve in life. But it is a process that needs to be started very early on.

A lot of the people find themselves feeling stuck in their professional careers after having worked for 15, 20 years. They feel very unhappy in their lives, and even though they may be part of senior management, they really don't feel

successful, because fundamentally they are very unhappy. The reason is that they never went through the exercise of self-exploration and awareness and doing the level of soul-searching that is required to figure out what brings them psychological happiness.

### **After self-awareness, what's next?**

The second step is to gain awareness of your environment. Which occupations are more suited to what you want to do? It's important to realize that occupations differ in many dimensions—the nature of work is different, the financial rewards are different, physical and social setting is different, lifestyle implications are different.

For example, you could be working on Wall Street, which leads to a certain nature of work and a certain lifestyle. Or you could be working in a nonprofit organization, which leads to a very different nature of work and lifestyle implications. Individuals can be extremely happy and successful in both.

### **Why is understanding job function critical?**

Jobs are the vehicle by which an occupation is actually practiced. For a given job, the nature of activities performed may differ considerably across organizations. For example, a portfolio management function in one organization could include 90% time spent constructing portfolios, analyzing investment opportunities, assessing the portfolio risk, and so on and so forth. But in another organization, the portfolio manager function may have a very, very significant marketing element. This portfolio manager is supposed to be on the road, meeting with clients 50% of the time. Now, if you are an investment person—you don't really like marketing and business development—you're going to be very unhappy in the portfolio management function where the emphasis is on marketing.

Environmental awareness also means understanding corporate culture. It means understanding the management style of the senior people in the organization, which essentially drives the culture of the organization. Once you have an awareness of self and an awareness of environment, then you have the two fundamental blocks that are needed to take decisions along the lines of compatibility and fit.

### **The third step is career planning and monitoring?**

Yes. At this point, you set aggressive but realistic goals for yourself. What are you going to do in the next three years, the next five years? You design an implementation strategy: How are you going to achieve those goals that you have set out? You pay careful attention to the feedback you're getting, and you monitor the process of the strategy towards achieving your career goals.

Career management, at any point in time, is a combination of three things. One is career exploration. This means self-exploration and exploration of environment. The second step is career problem solving and decision making. This

## **IDENTIFYING THESE ALWAYS-VALUED VALUES IS AN EXTREMELY DIFFICULT EXERCISE WHICH CHALLENGES ALL OF US. BUT THESE ARE THE VALUES WHICH SHOULD DRIVE YOUR CAREER DECISION MAKING.**

means that once you have the two fundamental blocks of awareness of self and awareness of environment, you make career decisions and you solve career problems along the dimensions of compatibility and fit. Once you have solved the given career decision, then the next step is career planning and monitoring.

### **How do you gain an understanding of who you are?**

In the book, we outline many exercises that will help individuals gain better self-awareness. But understanding and clarifying your values is an essential step. The problem is that many individuals don't have a framework for doing this. I suggest a really simple exercise that I believe all individuals should conduct periodically.

Over a three-to-four-week period, make a tally of everything that made you happy and everything that made you extremely unhappy. For example, if treating others with respect and dignity is important to you, and you see a manager mistreating one of his subordinates, that is likely to make you unhappy. That suggests that treating others with respect and dignity in an organization, independently of status, is a value that is important to you. If you are in a work environment where being intellectually challenged makes you happy, then working with talented people in a stimulating and relaxed environment could be a value that is really important to you.

If you conduct this exercise on a periodic basis, then you'll have a long list of what your values are. But having a laundry list of values is not very useful. The next step, therefore, is to clarify values. This entails identifying no more than six or seven values that are absolutely critical to you—those values that, if not achieved, will make you a highly unfulfilled and unhappy person. These are known as "always-valued values." Identifying these always-valued values is an extremely difficult exercise which challenges all of us. But these are the values which should drive your career decision making. And every career decision we take should be tested for a value conflict against these always-valued values.

### **What about individuals in mid-career who realize they haven't aligned their values with their career choices?**

In some circumstances, people get stuck in a given profession, in a given role. It may be, for instance, that an individual has been in an organization for 10 years, is at the middle-management level, working long hours, dealing with an intense and highly competitive internal environment—but actually this kind of corporate culture does not reflect who this individual is. Perhaps what really matters

to the individual in the end is work/life balance—working long hours to exhaustion is not what she really wants in life. But she just went along and espoused the corporate culture and the corporate values in order to gain promotions and gain seniority within the organization. There comes a point where the individual takes a step back and says, “Wow, what am I doing here? This is not who I am. I recognize that now. What do I do?”

Individuals may have different perspectives on how to resolve this value conflict. One individual may decide, “I have no choice but to keep going with it. Hopefully things will improve, but if they don’t, at least I am making up for all the value conflict and unhappiness that I have internally through promotions, through acquiring wealth, acquiring power and authority.” That’s how he justifies a continuation in the situation.

Another individual may well take a very different perspective and say, “I made a mistake in the last 10 years. This is not what I wanted to do. I am a managing director of the company, but I’m not going to do this much longer. I’m going to take a very different path and look for those values which I would define as representing success for me.” This individual may very well decide to talk to the employer and go into a part-time consulting role, for instance—work for 60% of the time and use the rest of the time for other activities or for family or for other lifestyle preferences.

### How have you managed your own career?

I frequently apply all the exercises in the book to my own situation. I constantly ask myself the question, “What do I want from my professional career?” Much more importantly, I often have conversations with my wife about my professional career and about what she is doing, and we constantly assess if our professional careers and our lives are creating any conflicts. Many times the answer is yes, there are conflicts. But we discuss them, we deal with them, and we confront them in a very explicit and knowing way.

As an example, I recently sold my company to Goldman Sachs. It was a small company based in Boulder, Colorado. The joy of being in a small company, having a lot of autonomy, and being your own boss was extremely pleasant. When Goldman Sachs approached us for a potential acquisition of our company, it did create a situation where myself and the other partners in the firm had to go through this exercise of career decision making and career management and ask ourselves some really basic and deep questions about what we wanted from our professional career. Is this the right thing to do? Is it time to give up our autonomy? What implications will it have for our work/life balance?

It was not an easy decision for my partners and me. At a very personal level, I knew that the acquisition would completely interfere with one of my basic values—which is achieving better work/life balance. As part of Goldman Sachs, I knew that I would have to travel a lot to go meet clients globally and to grow the business as part of my commitment to them. Clearly, it violates one of the basic values that I have.

But on the other hand, being part of Goldman Sachs and having the global brand and distribution that Goldman Sachs brings can significantly increase the probability of making our business successful. Our business and our products and strategies are things that we created from scratch. If we can make them highly successful at Goldman Sachs, it would be a tremendous source of professional fulfillment and satisfaction that something that we created from scratch became extremely popular and successful in the world of investments. Additionally, working in an environment which is overflowing with highly talented and knowledgeable people was extremely attractive to me and my partners.

### How much of the book evolved out of self-practice like this?

Both Dwight Churchill, CFA, and I have gone through many managerial roles in our professional lives, and we’ve been thinking about these issues all along. Both of us have been in the industry for more than 30 years. The motivation for Dwight and me was to essentially give back to our profession. Dwight and I are very fortunate to get to a stage where I believe we have converted our work into our passion. Investment was not my passion when I started in this industry, but today it clearly is. I feel very fortunate indeed that I am practicing a profession I love and having so much fun doing it.

So the question was, “What can we give back?” We looked at all of this experience and knowledge that we have acquired over the years. Let’s share this with the younger professionals, let’s help them avoid all the mistakes that we made in our careers, and let’s help them get to a better spot much sooner than it took us.

The actual writing of the book took about five years. It was a very long process. We challenged ourselves along the way. There were times where our initial beliefs were challenged, and we had to take a step back and think through it more deeply and realize that our initial thinking may have been flawed. We read a lot about what others have to say with regard to career management and so forth. It took about five years to write the book, but the material itself we’ve been gathering for the past 30 years.

Nathan Jaye, CFA, is a speaker on intelligence and member of CFA Society San Francisco.

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*Career Success: Navigating the New Work Environment* [www.cfainstitute.org]

Additional Resources for Achieving Career Success: <http://cfa.is/IRPEoE7>

“A Truly Global Service,” *CFA Institute Magazine* (March 2016) [www.cfapubs.org]

“Most Extreme Career Change,” *CFA Institute Magazine* (November/December 2007) [www.cfapubs.org]