The S.T.A.R.R Method

Framework for Behavioral Interview Questions

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What is the S.T.A.R.R Method?

A structured method in answering behavioral interview questions that is

- Engaging the interviewer with clear and memorable examples
- Demonstrating specific skills and experiences in a succinct manner
- Showing cultural fit within the firm through your past experiences
- Creating a link between past accomplishments and potential future job responsibilities

Candidates who use this structure are more likely to include relevant details that highlight their strengths and align with the firm's needs for the role.

Pro Tip: Always prepare 5-7 strong stories before your interviews that demonstrate different competencies. These can be adapted to answer various questions.

S.T.A.R.R Method Overview

S - Situation	Briefly describe the context for the event you are highlighting.	15%
T - Task	Describe exactly what your responsibility was in this circumstance.	10%
A - Action	What specific actions did you take to address the situation?	55%
R - Result	What outcomes did your actions produce? Quantify if possible.	15%
R – Reflection	What did you learn? How did this experience change your approach?	5%

When to Use the S.T.A.R.R. Method

Common in behavioral interviews, many questions generally start with:

- Tell me about a time when you...
- Describe a situation where…
- An example of how you handled…
- How have you dealt with…
- What approach did you take when…

Example behavioral interview questions commonly asked:

- Tell me about a time when you led a team to through a problem.
- Describe a situation where you had to resolve a conflict.
- Give an example of a time you had to adapt to significant change at work.
- What approach did you take when you had to work with a difficult teammate.

Situation

In this section, candidates should set the scene and provide precise context.

Key Elements

- Describe the specific situation or challenge
- Provide enough context for understanding
- Keep it concise and relevant
- When and where did this happen?
- Make sure to avoid any generalizations

Example

"During my summer internship at Goldman Sachs in 2024, our team was tasked with analyzing potential acquisition targets for a consumer goods client with a $500M budget. The timeline was compressed as our client wanted to move quickly before market conditions changed."

Task

In this section, candidates should explain their exact responsibility within the context.

Key Elements

- Clearly state what you were responsible for
- Explain any objectives you needed to meet
- What challenges did you face?
- Mention any constraints you were working under
- Distinguish between personal and team tasks

Example

"I was specifically assigned to lead the valuation analysis for three potential targets in the beverage sector. My responsibility was to develop comprehensive DCF models, conduct sensitivity analyses, and prepare a comparative analysis to present to the VP within two weeks."

Action

In this section, candidates should showcase specific skills used to accomplish the task.

Key Elements

- What specific steps did you personally take?
- Focus on your individual contributions, using "I".
- Explain your decision-making rationale
- Highlight relevant skills and methodologies you applied
- Describe your actions in chronological order

Example

"First, I gathered company financials and industry reports to understand each target's market position. Then I built three separate DCF models with detailed assumptions. I conducted extensive sensitivity analyses on key variables like growth rates and margins. When I identified data gaps for one target, I proactively reached out to an industry expert in our network for additional insights. Finally, I created a side-by-side comparison highlighting key metrics including EV/EBITDA multiples, synergy potential, and risk factors."

Result

In this section, candidates should highlight the outcome and their action's impact

Key Elements

- State the specific outcomes of your actions
- Quantify results whenever possible
- Link your actions directly to the positive outcome
- When and where did this happen?
- Make sure to avoid any generalizations

Example

"My analysis revealed that one target offered 40% higher potential synergies and a more attractive EV/EBITDA multiple (6.8x vs. 8.2x for alternatives). The VP adopted my recommendation, and the client proceeded with this acquisition target. The deal closed successfully three months later at a 5% discount to our initial valuation estimate, representing approximately $15M in additional value."

Reflection

In this section, candidates should convey any lessons learned and future applications.

Key Elements

- Discuss what you learned from the experience
- Explain how this experience changed your approach
- Connect the experience to the role you're interviewing for
- Show self-awareness and growth mindset
- Demonstrate continuous professional development

Example

"This experience taught me the importance of combining rigorous quantitative analysis with qualitative industry insights. I learned to better prioritize which variables truly drive valuation in consumer goods businesses. Since then, I've refined my approach to sensitivity analysis by focusing on a targeted set of high-impact variables rather than attempting to model every possibility. I've applied this more focused approach to subsequent deals, allowing me to produce more actionable recommendations in shorter timeframes."

Example: Problem Solving Question

Tell me about a financial problem you solved and your approach.

S As a Financial Analyst at BlackRock, I was reviewing the performance of a fixed income portfolio that had unexpectedly underperformed its benchmark by 150 basis points over two quarters, concerning several institutional clients.

T I was assigned to identify the root causes of the underperformance and develop recommendations to address the issues within one week.

A I conducted a comprehensive attribution analysis, breaking down returns by sector, duration, and credit quality. I created a Python script to analyze historical trading patterns against market movements. This revealed that the portfolio was overexposed to BBB-rated securities that had been disproportionately impacted by recent spread widening. I also identified a duration mismatch that amplified losses during recent rate increases.

R My analysis pinpointed that 85% of the underperformance came from just two sectors. Based on my recommendations, the portfolio manager rebalanced the portfolio, reducing BBB exposure by 30% and adjusting duration. The portfolio outperformed its benchmark by 30bps in the subsequent quarter.

R This experience reinforced the importance of data-driven decision making. I learned to look beyond surface-level metrics to identify underlying patterns. It also taught me how to effectively communicate technical findings to non-technical stakeholders, as the clients appreciated the clear explanation of what had happened.