Careers-in-Investment-Banking

Welcome In my Article regarding "investment banking careers"

Dear Members,

At This point of TIME Investment Banking Industry is on their BOOM, its a good opportunity for us to increase our interest in the INDUSTRY.

ABOUT INVESTMENT BANKING: What they Works ? & Role of IB ?

Investment Banks help companies and governments issue securities, help investors purchase securities, manage financial assets, trade securities and provide financial advice. The top investment banks including Goldman Sachs, JP Morgan and Morgan Stanley are said to be in the *bulge bracket.*

Other investment banks are regionally oriented or situated in the middle market (e.g. Piper Jaffray). Others are small, specialized firms called boutiques which might be oriented toward an industry vertical, bond-trading, M&A advisory, technical analysis or program trading. Firms have lots of different areas and groups within them. In most firms, there is sales and trading which works with owners of securities, investment banking which works with issuers of securities (firms and governments) and capital markets which goes in between the other two.

Investment Banking:
Skill and Talent Requirements

Investment banks want employees with a combination of strong analytical and interpersonal skills. Some jobs lean more towards one skill set than another (e.g. brokers need to be mainly sales people). A typical job of an equities analyst requires both analytic and interpersonal skills. The skills involved include:

Key Skill Area	Requirement
People skills:	High
Sales skills:	Medium
Communication skills:	High
Analytical skills:	High
Ability to synthesize:	High
Creative ability:	High
Initiative:	Medium
Work hours:	50-120/wee

Investment Banking:
Job Options

By far the most common route into investment banking for someone just finishing an undergraduate degree is to be hired into a bank's analyst program (for more on life as an analyst, see here). MBAs are generally hired as associates. Analysts and associates work within specialized groups but they may not always have control over the group to which they get assigned (analysts especially). Some of the most common groups found within investment banks are described below, along with the work they do. If you're a new graduate interested in one of these areas specifically, learn as much as you can about the area that intrigues you so that you're best positioned to be assigned to that group, but understand that you'll most likely be looking for a job as an analyst or associate.

Industry Coverage		
Corporate Finance	**Capital Markets**	**Mergers and Acquisitions**
Project Finance	**Trading**	**Structured Finance**
Derivatives	**Advisory**	**Equity and Fixed Income Research**
International Sales/Emerging Markets	**Public Finance**	**Retail Brokerage / Private Client Coverage / Stockbroker**
Institutional Sales	**IT and Systems**	**Ratings Analyst**

Investment Banking: Salaries

Starting salaries in investment banking positions with a bachelors degree after bonus (assistant or junior analyst position) range from $60,000 to $70,000. Starting salaries with an MBA degree range after bonus (associate position) range from $80,000 to $150,000. These salaries vary with firms and with the region of the country you are in. Bonuses typically would be 10-50% of salary to start and can move to one to three times salary later. Lately, salaries have increasingly included an equity component which may not be liquid for up to three years, although as an analyst you would typically be sheltered from this. This is good for the banks because it makes it much harder for people to move around.

As we write this in the Fall of 2009, banking salaries and bonuses are under attack due to the perception that high banker salaries may have worsened the financial crisis. Regardless, many investment banks will continue to pay good bonus compensation, that times will eventually improve and that many firms did not participate in the bailouts anyway.

Salaries in Investment Banking (with bonus)			
Job Level	**Salary Range**	**Typical All-in Comp**	**Prerequisite (degree/yrs experience)**
First Year Analyst	$60K - 150K	$90K	Bachelor's
Third Year Analyst	$120K - 300K	$150K	Bachelor's

First Year Associate	$150K - 250K	$170K	MBA
Third Year Associate	$250 - 450K	$300K	MBA
Vice President	**$350K - 1MM**	**$500K**	**3-6 years**
Director / Principal	**$400K - 1.5MM**	**$700K**	**5-10 years**
Managing Director / Partner	$500K - 20MM	$800K	7-10 years
Department head	$800K - 70MM	$2MM	10+ years

Investment Banking:
Top Firms

S.No.	Name
1	Goldman Sachs & Co
2	J.P. Morgan & Co., Inc
3	Citigroup
4	UBS
5	Morgan Stanley
6	Bank of America / Merrill Lynch
7	Deutsche Bank

With Regards,

ANKIT BANSAL