

# Which division is right for me?

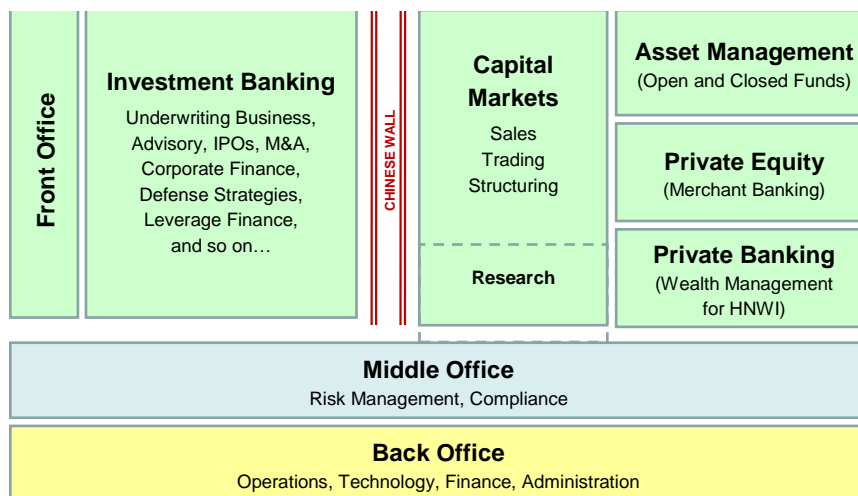
## Introduction

Year in, year out, there are high numbers of applications for the graduate programs at investment banks. A career in investment banking is one with great prospects. Bankers work in a fast-paced, high pressured environment and are exposed to the highest profile deals that shape the financial markets.

Investment banks form a specialist link between people who want to invest their capital and companies that require capital to grow and be successful. There are a number of different divisions inside an investment bank which ease this flow of capital, from trading the capital to advising on value enhancing transactions.

If you are interested in a career in investment banking it is important to consider your strengths and skills and how you would fit in with the organisation and the division you wish to apply to. Make sure you do your research about what the different graduate programs entail – a large number of the careers in investment banking can involve very long hours!

## A typical investment banking structure



## Selecting the right division

Before applying to an investment bank you must identify a division that matches your skill set. Throughout the recruitment process you will be asked to articulate **'why'** you have an interest in this part of the business. Demonstrating a strong focus, commitment and understanding of your chosen division is essential.

Do not be fooled by the misconception that Middle and Back office roles are inferior to the Front Office positions. This is NOT the case and opportunities within these areas offer attractive career prospects and are fundamental to the efficient running of a bank. Keep an open mind when researching your options and think carefully about your skills and interests – this will help you find an appropriate match. During your research keep in mind the following questions:

- Why do you want to work in Investment Banking?
- Why do you think you are suited to your chosen division in comparison to others?
- What has influenced your decision to work within your chosen division?
- What do you know about the division you are applying for?
- What are the current challenges that your chosen division are currently facing?

### Useful resources

The following links will help enhance your understanding of the different divisions and structures found within the investment banks.

Alert Data	<a href="http://www.alertdata.co.uk/search.php">http://www.alertdata.co.uk/search.php</a>
City AM	<a href="http://www.cityam.com/">http://www.cityam.com/</a>
Efinancial Careers – Student Section	<a href="http://news.efinancialcareers.com/uk-en/en/students?_ga=1.184140966.100997300.1447429135">http://news.efinancialcareers.com/uk-en/en/students?_ga=1.184140966.100997300.1447429135</a>
Konzept Magazine	<a href="https://www.db.com/index_e.htm">https://www.db.com/index_e.htm</a>
The Graduate Guide to careers in finance	<a href="http://news.efinancialcareers.com/uk-en/en/careers-in-finance">http://news.efinancialcareers.com/uk-en/en/careers-in-finance</a>
The House View	<a href="https://houseview.research.db.com/">https://houseview.research.db.com/</a>
Unofficial Guide to Banking	<a href="http://www.unofficialguidetobanking.com">www.unofficialguidetobanking.com</a>

### Books

- Barbarians at the Gate, Bryan Burrough & John Helyar
- City Boy, Geraint Anderson
- Monkey Business, John Rolfe
- Rogue Trader, Nick Leeson
- When Genius Failed, Roger Lowenstein
- Too Big To Fail, Andrew Ross Sorkin
- Know the City 2014/15, Christopher Stokes

### Front, middle or back?

The **front office** describes those divisions that generate revenue for the bank. Competition for these opportunities is fierce and careful preparation is required to show you have got what it takes both mentally and physically. You must know your stuff and be ready for the technical questions which are designed to test your understanding of your chosen division. The Vault Guide to **'preparing for finance interviews'** is highly recommended and is available in the Careers Hub.

The recent economic downturn has led to an increased focus on the **Middle Office** in particular risk management. Early indications suggest there will be a rise in the number of vacancies within this division over the next year.

If you feel your strength is in project management, are adept at developing strong working relationships and enjoy identifying more efficient ways of doing things then the Operations division within the **Back Office** could be for you. Equally the success of a bank heavily relies on a fast and reliable technical infrastructure and the Technology divisions would suit those with an interest in how Technology can be used to improve business efficiency.

### What aspects of finance really interest you?

Which parts of the Financial Times do you enjoy reading the most? If you keep a watchful eye on the stock market and enjoy the buzz of trading games then Capital Markets may be the place for you. If you have a greater interest in measuring the financial worth of an organisation or attracted to the high profile M&A deals the Investment Banking Division (IBD) may be your thing.

### Matching your skills and attitude

To be successful within **any** division you will need to exhibit strong **numerical** and **analytical** skills; excellent **communication** and **presentation** skills; **initiative**, **entrepreneurial spirit** and a **flexible** and **personable** approach to life.

INVESTMENT BANKING	SALES	TRADING	RESEARCH
<ul style="list-style-type: none"> <li>• Client relationship skills</li> <li>• Able to synthesize and process large amounts of data</li> <li>• Problem solving</li> <li>• Detail orientated</li> <li>• Eager to provide advice</li> <li>• Ability to ask good questions</li> <li>• Understanding of accounting terms &amp; financial statements</li> <li>• Resilience</li> <li>• Adapt rapidly to changing circumstances</li> <li>• Strong IT skills (eg Excel)</li> <li>• Second European Language</li> <li>• Negotiation &amp; influencing skills</li> </ul>	<ul style="list-style-type: none"> <li>• Outgoing, persuasive, build relationships</li> <li>• Effective, continuous partnerships with clients (banks, asset managers, hedge funds etc)</li> <li>• Numerate, analytical</li> <li>• Excellent communication skills</li> <li>• Persistent</li> <li>• Critical Thinker</li> </ul>	<ul style="list-style-type: none"> <li>• Quick Thinking</li> <li>• Significant focus, strong analytical skills</li> <li>• Resilience and accountability</li> <li>• Ability to work independently</li> <li>• Strong knowledge of the markets and financial instruments</li> <li>• Work well under time pressure</li> <li>• Integrity</li> </ul>	<ul style="list-style-type: none"> <li>• Contact with investors and internal clients</li> <li>• Natural inclination for numbers and analytical problem solving</li> <li>• Solid understanding of core mathematical and statistical concepts e.g. Gaussian distribution</li> <li>• Good communication skills – verbal and written</li> <li>• Independent &amp; critical thinking</li> <li>• Interest in industry trends</li> </ul>
STRUCTURING	QUANT ANALYTICS	ASSET MANAGEMENT	PRIVATE WEALTH MANAGEMENT
<ul style="list-style-type: none"> <li>• Ability to structure complex products creatively</li> <li>• Advanced qualifications in technical subjects</li> <li>• Working with pricing models</li> <li>• Strong communication skills</li> <li>• Entrepreneurial instincts</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Post-masters level Maths, Financial Maths</li> <li>• Coding ability</li> <li>• Able to communicate effectively with traders</li> <li>• Able to spot patterns, cause &amp; effect</li> </ul>	<ul style="list-style-type: none"> <li>• Networking</li> <li>• Analytical</li> <li>• Think out of the box</li> <li>• Challenge/ debate ideas</li> <li>• Team-working</li> <li>• Think and work independently</li> <li>• Common sense</li> <li>• Enquiring mind</li> <li>• Strong interest in markets</li> <li>• Lateral thinkers</li> <li>• Assimilate large quantities of information</li> <li>• Decision making</li> </ul>	<ul style="list-style-type: none"> <li>• Integrity and discretion</li> <li>• Excellent client facing skills</li> <li>• Language skills</li> <li>• Attention to detail</li> <li>• Ability to develop trusted relationships</li> <li>• Listening &amp; questioning skills</li> <li>• Empathy</li> </ul>
TECHNOLOGY	OPERATIONS	RISK MANAGEMENT	COMPLIANCE

<ul style="list-style-type: none"> <li>• Good technical knowledge (programming, networks etc)</li> <li>• Ability to communicate well with clients and meet their needs</li> <li>•</li> <li>• Ability to work under pressure</li> <li>• Passionate about technology</li> </ul>	<ul style="list-style-type: none"> <li>• Deadline driven</li> <li>• Resourceful, and problem solving</li> <li>• Excellent communication</li> <li>•</li> <li>•</li> <li>• Project Management: Organisation</li> <li>• Numeracy</li> <li>• Attention to detail</li> <li>• IT literacy</li> <li>• Flexibility and comfortable with rapid change</li> </ul>	<ul style="list-style-type: none"> <li>• Analytical skills and attention to detail</li> <li>• Numeracy</li> <li>• Interest in financial markets</li> <li>•</li> <li>• Curiosity – what makes the markets tick, what might happen in the future</li> <li>• Self-motivation</li> <li>• Teamwork</li> </ul>	<ul style="list-style-type: none"> <li>• Questioning mind</li> <li>• Eye for Detail</li> <li>• Relationship building (internally and externally)</li> </ul>
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**How many hours?**

If you are prepared to put in long hours and able to cope with the real possibility that you will have to come in at weekends, work late into the night and put your social life a firm second then IBD may be for you. If you prefer a clearer structure to your day with more stable working hours (although still likely to be 12 hour days) then Capital Markets, Operations or Technology may work for you.

**How much pressure?**

To work within an Investment Bank in whatever division you will need to demonstrate an ability to cope well under pressure. However, certain divisions such as Trading may require you to make quick decisions which have a significant financial impact. In other areas you may be required to think long-term and have a continual focus on developing and maintaining strong client relationships (e.g. Asset Management, Private Wealth Management).

The following sources of information will provide detailed descriptions of the different divisions to help aid your decision.