

THE UNOFFICIAL GUIDE TO BANKING



What career options are available? Are the myths about the hours or salary really true? And how do you get a foot in the door?

This straightforward, no-nonsense guide has info on most divisions and roles plus tips on getting hired. What's more, it's all been written with the help of recent graduates working at Deutsche Bank who were in your shoes not that long ago.

Your career in banking starts here.

Banks are large, complex organizations, but what do they do exactly?

Put simply, they provide services for those who want to borrow, lend and invest. Their clients range from individuals and institutions, all the way up to the governments and central banks of entire countries.

Banks must be ready to act on changes in the market triggered by anything from movements in the political climate, the financial climate or even the weather. So it's vital that you're able to adapt to change, whatever your role or the area you work in.

There are four broad categories of banking:



Retail Banking – dealing directly with small businesses and individuals



Commercial or Corporate Banking – offering banking facilities to medium-to-large businesses



Private Banking – a one-to-one service for rich individuals



Investment Banking – generally related to helping clients raise capital, often by investing in the financial markets.



Banking offers a vast range of career options. We've grouped them into 12 areas encompassing typical divisions like Sales & Trading as well as Human Resources, Technology and Risk.

With the right introduction to this complex and rewarding industry you could find yourself in a dream job surprisingly quickly. This document will get you started.



There are many assumptions about what it's like working in banking. Often people have preconceived ideas about the culture, type of work and people. Some of these are based on truth, some are definitely rooted in misunderstanding. This document will reveal which is which.

The people here manage investments for private funds, individuals and organizations. It's a diverse area with many roles – including researchers, portfolio managers and sales people. Their common goal is to make their clients' money make more money.

They do this by investing in things like:

- **stocks** – also known as equities, a stock is typically a 'share' of ownership of a company
- **bonds** – these are basically loan agreements: a company or government issues bonds and receives money in return, while the bondholder receives a fixed amount of interest on the money they have lent
- **foreign exchange** – also known as forex or FX, this is currency of other countries
- **property** – i.e. real estate.

The various functions within Asset Management are normally split into the following categories:

- **investments** – this is the 'doing' bit of Asset Management. Researchers, portfolio managers and traders work here
- **sales and distribution** – This function positions and sells the investment services offered by the bank. It also manages client relationships.

So is it right for you?

Asset Management could be a great career if you:

- have the strategic skills and insight to develop products at the forefront of the industry
- like to think ahead; the role is about developing sound investment choices that meet a client's objectives
- want to work with, and influence, some of the world's biggest investors
- are dedicated and are prepared to put in the hours to develop your specialism.

But before you decide, also be aware that:

- your performance will be transparent, and success measured by the portfolios you manage
- the market never sleeps; you have to work hard to stay on top of developments
- networking is key
- it's about passion and commitment; if you don't have those it's not the role for you
- you will need to take professional exams
- the pressure can be high, although it doesn't tend to be quite as fast-paced as Sales & Trading.



Will a job in banking make me millions?

You may earn more than in another industry, but a private jet will still be a stretch.



"To be successful, you must be able to demonstrate passion for your work. Genuine passion is hard to fake."

Corporate Finance delivers the strategic advice and financial products that help large corporate clients build their businesses and grow their shareholder value. The service includes:

- selling shares and debts
- securing new business deals
- developing financial strategies
- advising clients on Mergers & Acquisitions.

Roles within Corporate Finance vary between banks according to the needs of the client. Broadly the roles are split into two categories:

- **Client Teams** – directly advising the corporate client
- **Product Teams** – developing financial products for the client.

The client team works out what the client's needs are and liaises with the product team to develop the best solutions. These might be:

- **Mergers & Acquisitions** – taking over or merging with another firm
- **Structured Financing** – complex loans designed to minimize risk
- **Equity Capital Markets** – buying, selling and issuing shares
- **Debt Capital Markets** – using the client's debt assets as an opportunity for outside investors.

So is it right for you?

Corporate Finance could be a great career if you:

- are highly numerate – you'll be working out how different strategies impact clients' finances
- have plenty of drive, ambition and flexibility
- want one of the highest powered jobs in finance
- are ready for a massive learning curve
- can work with important clients directly
- have excellent networking skills
- have a cool head and plenty of stamina.

But before you decide, also be aware that:

- the first year will be the hardest working year of your life
- you'll have to learn an incredible amount in a short space of time
- you'll be expected to perform in very high pressure situations, so it's not for the easily flappable.



Isn't it all bowler hats and pinstripes?



You have to be smart, it's true. But the old-style uniform has had its day – unless you decide to bring it back.



"I like the learning curve in Corporate Finance. You learn an awful lot from day one."

You might say everything banks do is about Finance. But think of the bank as being like any other large company – all need to monitor their profitability, produce financial statements and do their own accounting. A Finance department carries out services essential to the running of the business. These include:

- general company accounting
- producing the company's financial statement
- analyzing the company's performance (Profit & Loss)
- auditing – producing reports or liaising with external auditors.

This isn't just about accountancy; it's also Finance's job to make sure the bank operates transparently and within the law.

Some of the services Finance would offer might be:

- **business control** – running processes that promote efficiency and profitability
- **reporting** – providing data to the regulators
- **risk control** – making sure the bank doesn't expose itself to unnecessary business and financial risks
- **valuation** – setting prices for products and services offered by the bank.

So is it right for you?

Finance could be a great career if you:

- have excellent numerical skills and are interested in creating complex mathematical models
- have a background in business management (although not essential)
- understand how a bank is controlled
- want to take on lots of responsibility
- are keen to interact and learn about other areas of the bank
- are willing to work hard, learn on the job and take on more responsibility for better rewards than in a similar role within an accountancy company.

But before you decide, also be aware that:

- numeracy and accuracy are not optional – you definitely need them
- working in Finance can be pressured and challenging; you'll need confidence and diplomacy
- at key reporting times of the year there could be intensive pressure.



Is it as cut-throat as they say?



You've got to give 100%. But you get support, opportunity and colleagues who look out for you.



"There's always a new challenge – it's never a question of doing the same task for weeks on end."

The key to any bank's success is having the best people. Human Resources, or HR, is responsible for making all sorts of operational and strategic decisions about the bank's current and future workforce. These decisions revolve around:

- finding, recruiting and keeping talented people
- making sure they're well-trained, well-motivated and properly rewarded
- setting and communicating company rules
- promoting fair treatment of staff
- helping to develop 'people strategies', such as making sure the right people are in the right roles at the right time.

In a large company, HR serves a wide range of functions such as:

- **recruitment** – developing long-term strategies
- **development** – running and developing training programs
- **compensation and benefits** – managing salaries, perks, entitlements and other benefits
- **employee relations** – making sure all sides are treated fairly while observing processes and policies
- **HR advisors** – acting as consultants on strategic HR issues for the bank's senior business managers.

So is it right for you?

HR could be a great career if you:

- enjoy responsibility
- are good at problem-solving
- want to be challenged every day
- are able to remain calm and get your point across in a rational way, and speak to a wide range of people at all professional levels
- enjoy being creative and thinking logically, looking at different ways to solve a particular challenge
- think strategically and are keen on building strong partnerships
- cope with, adapt to and thrive on constant change
- want to work as part of a diverse, often global, team.

But before you decide, also be aware that:

- it's hugely challenging and competitive
- you need to be proactive and keep up with constant legislative and working practice changes
- there is a lot of responsibility, for you, other people and the business as a whole
- mistakes can cost people and the business a great deal, so accuracy and attention to detail are imperative
- it takes time to really understand the complexity of the business as a whole, so you should expect a steep learning curve.



Hasn't the financial crisis wiped out jobs in banking?

Confidence is returning. And although competition is fierce, opportunities are growing.



"In HR you must develop strategies that are good for the next year, and the year after that."

Banks make millions of transactions every day. The rules and regulations governing these transactions are complex and ever-changing. A bank needs Legal and Compliance to make sure it does not break the rules.

As the name suggests, Legal and Compliance is made up of two distinct teams. Legal deals with the letter of the law; Compliance focuses on the operational side of the bank's activities. Here's a breakdown:

Legal:

- advises on all the bank's legal issues
- deals with client complaints and lawsuits
- advises on contract negotiations
- helps with investigations into the bank's activities
- produces legal documents
- advises employees on legal matters.

Compliance:

- liaises with regulators
- makes sure the bank complies with local regulations
- responds to changes in the law
- helps train employees
- keeps an eye out for questionable trading.

It's worth noting that in general, if you want a career in Legal, you'll need to have a background in law.

So is it right for you?

Legal and Compliance could be a great career if you:

- want to learn about international financial regulations
- have excellent communication skills
- are precise – mistakes in Legal and Compliance can be very costly
- want to combine an interest in law and regulations with a career in investment banking.

But before you decide, also be aware that:

- there will be a lot of paperwork and documentation
- you won't have an immediate impact on big decisions
- some banks or countries may expect you to have some business experience before you start
- the pressure will be on to be 100% accurate in your work, with big consequences if you're not.



Don't you have to be a mathematics genius to get in?



Numerical skills are important to many roles, but not all. Banks take graduates from all sorts of disciplines, including arts.



"If you enjoy interacting with people from all around the business, then you'd definitely find this area interesting."

Operations makes sure business is carried out efficiently, on time and without risk. It's usually a big division, given its importance to the bank as a whole. It's chiefly concerned with Sales & Trading, processing the trades made on the trading floor.

This is a bigger job than it sounds given the complexity and speed of transactions in today's markets. Operations must develop market-leading processes to stay on top of the millions of transactions the bank makes every day.

Often considered the bank's engine-room, Operations must liaise seamlessly with other areas involved in trading. The sheer volume and complexity of trades make the function central to the running of the bank and demands, a dedicated, experienced team to process transactions smoothly and efficiently.

The sub-areas of Operations are:

- **Trade Processing and Support** – clearing, settling and documenting every trade
- **Operations Control** – promoting smooth internal data communications and processing systems
- **Monitoring and Reporting** – supervising and servicing activities while reporting on transactions
- **Client Services** – advising and communicating with clients on transactions they've made with the bank.

So is it right for you?

Operations could be a great career if you:

- want to get an in-depth understanding of how banks operate
- want to be exposed to multiple divisions and products in the organization
- would like excellent career development opportunities
- thrive on having a huge amount of responsibility from the start.

But before you decide, also be aware that:

- there's a lot of banking jargon to learn
- projects can be demanding global systems and processes can create problems that are particularly complex and challenging
- you have to be on the ball at all times and need a lot of energy to keep up with the changes.



Isn't banking all about trading?



Far from it. Trading is one of many different areas of an incredibly diverse industry.



"Operations in my view, is the backbone of the bank."

Market crashes, IT failure, changes in legislation, even terrorist attacks – Risk Management’s role is essential to minimizing all sorts of business risks. It helps the bank grow while keeping an eye on the potential consequences if something goes wrong.

There are two things to consider in all areas of Risk Management:

- the likelihood of something bad happening
- the likely cost of something bad happening.

If any given risk is too high, the Risk Management team can stop the bank from proceeding.

What types of roles are there in Risk Management?

- **Credit** – the bank’s internal credit approval and monitoring service
- **Market** – studying movements in the market and assessing their impact on the bank’s trading
- **Investment** – if the bank buys a company it must assess the risks associated with that new company
- **Operational** – assessing internal risks to the running of the bank, such as workplace safety, system failures and cases of fraud.

So is it right for you?

Risk Management could be a great career if you:

- have a passion for statistical analysis
- are able to create and use complex mathematical models
- have excellent communication skills
- are good at problem-solving and decision making
- want to continually learn and develop
- enjoy varied work.

But before you decide, also be aware that:

- it’s a highly competitive industry
- you will be dealing with very demanding people, both inside and outside the bank.



How diverse is banking these days as I don't fit the mold?

There's no such thing as a typical banker these days. Some banks' male/female graduate intake is around 50:50.



“We need to be on top of everything and know what happens in the news all around the world.”

When people think of banking they think of trading. And although Sales & Trading is only one part of a bank's activities, it is a very important part.

So what does it do? Well in simple terms, traders buy and sell products. These might be:

- financial products (e.g. stocks, bonds)
- foreign exchange
- commodities (e.g. oil or natural gas).

This might all sound fairly simple, but the fact is, trading is vital to the world economy. Companies, even countries, couldn't function without it.

Sales & Trading usually breaks down into the following roles:

- **Sales** – selling the bank's financial products
- **Trading** – buying and selling on the financial market
- **Research** – analyzing a specific company or sector to help the sales team create and price financial products
- **Structuring** – tailoring products to clients' needs.

So is it right for you?

Sales & Trading could be a great career if you:

- want to work in a challenging, fast-moving environment
- like the idea of dealing in products worth millions of dollars
- are good with numbers
- are quick to learn, and very enthusiastic
- are keen to learn on the job
- want to play a part in affecting the way markets behave
- react well to pressure
- want to provide solutions to clients
- can build successful, long-lasting relationships.

But before you decide, also be aware that:

- it's very hectic on the trading floor
- you'll need to be confident, quick to learn, sociable and assertive when needed
- this is a role for the thick-skinned!



How will I get my head around all that jargon?



There may be a lot. But it makes communicating easier. Our jargon buster is here as a resource to help you on your way.



"I have important decisions to make each day and you have to take such responsibility very seriously."



The Technology division develops and delivers cutting-edge applications and systems. It's essential to even the most basic execution and processing of trades – which are core to the day-to-day operation of the bank. The more efficiently a bank can manage those trades, the more competitive it will be. And the faster a trade is processed, the more money the bank can make.

Of course, it's not all about trading. Technology is integral to all parts of the bank. Working in Technology generally involves:

- analyzing current systems and developing proposals for new requirements
- designing and managing project plans for new technologies
- enhancing and streamlining established systems
- creating prototypes of new products
- liaising between the business and its service providers
- troubleshooting problems identified in testing.

Technology in banking isn't about IT support. Most banks outsource that. The demands on the Technology team are unique to the business and call for a great deal of flexibility and creative thinking.

Depending on the bank, the Technology division may organize itself around the departments it provides services for, or it may have its own internal structure.

So is it right for you?

Technology could be a great career if you:

- have a great understanding and passion for technology in all forms
- have a creative, inquisitive mind
- want the chance to develop complex systems
- crave a vibrant, exciting, demanding working environment.

But before you decide, also be aware that:

- banks are pressure-cooker environments
- this is a highly competitive industry, tough to break into
- you will need to put in a lot of groundwork to get to where you want to be.



Aren't London and New York the only places to work?

Not at all. There are important financial centers all over the world – from Hong Kong to Birmingham, Frankfurt to Singapore, Florida to Mumbai.



"We have a diverse mix of people working in technology."

Every day billions of transactions are made around the world. We're talking about an extraordinary amount of money. This division makes sure each transaction is completed effectively and securely, while managing cash-flow issues and associated risks.

Put simply, a transaction is the transfer of money from one place to another. With transactions being critical to business, it's no surprise that Transaction Banking is an incredibly important area for banks to be involved in.

Transaction Banking isn't just about moving cash; it's about the security requirements that come with it. It's about the assurance that the processes are as streamlined as possible. And because these processes can be complex, yet fundamental to the successful running of a company, banks have large teams of people dedicated to helping clients with their transactions.

The different areas of Transaction Banking are:

- **Cash Management** – making the most effective use of the bank's liquidity
- **Trade Finance** – for companies involved in international trading
- **Securities Services** – managing a client's non-cash assets such as bonds and shares
- **Capital Markets** – managing the trading of financial securities.

So is it right for you?

Transaction Banking could be a great career if you:

- want to be involved with multi-national clients from day one
- want a rewarding, challenging career with room to grow
- enjoy working with people from all over the world.

But before you decide, also be aware that:

- you'll be expected to learn about a lot of different areas, products and services
- you'll need to entertain clients (as in dinner and drinks, not magic tricks).



Aren't all bankers ruthless and money-oriented?

We'd describe them as focused, motivated and ready to shoulder responsibility for work that's pressurized and exhilarating.



"Getting to see different countries and experience other cultures is a definite bonus."

As with any other large firm, a bank's Treasury looks after its money. This means making sure there's enough cash available when needed and that funds can be raised if necessary.

Treasury has the following broad responsibilities:

- **Liquidity** – this means converting assets into cash without incurring a loss. If an asset cannot be traded for some reason, this becomes a problem, so Treasury conducts stress tests to figure out if the bank has sufficient liquidity
- **Capital** – this is about managing the bank's capital, injecting it where needed
- **Funding** – a bank might need to issue bonds to raise extra funds. It might do this by hosting a road show for investors, for example.

The number and variety of roles in Treasury will depend largely on the scale of the company. But however it's organized, there's a great deal of work with numbers – analyzing data and running complex computations. But the work also involves a lot of communication with other departments and companies.

So is it right for you?

Treasury could be a great career if you:

- want a fast-paced career
- enjoy communicating
- are able to analyze complex data
- enjoy varied work.

But before you decide, also be aware that:

- there will be periods of intense pressure
- the expectations placed on you will be very high
- progressing to the highest levels takes a great deal of commitment and time.



I expect I'll be making tea and filing paper for the first year?

Lots of banks offer a surprising amount of early responsibility. Anyone who's skilled and willing is recognized.



"Treasury provides you with a good overview of the bank's operations and the different types of risk involved."

As the name suggests, Wealth Management is about managing people's wealth.

Those wealthy enough to need this service often have complex financial arrangements. Making their assets work hard calls for in-depth knowledge of financial markets and investment opportunities, plus the ability to nurture very good relationships with the high-net-worth (HNW) individuals in question.

Wealth Management offers two types of service:

- **Discretionary** – clients hand over responsibility for managing their entire portfolios to the bank
- **Non-Discretionary** – clients get advice from the bank, but make the final decisions themselves.

What types of roles sit within Wealth Management?

Typically, the Wealth Management team will be divided along these lines:

- **Relationship Managers** – the main point of client contact
- **Product Specialists** – developing the investment products available to the client
- **Investment Managers** – placing the investments (and ultimately being responsible for the client making money).

So is it right for you?

Wealth Management could be a great career if you:

- want to manage the assets of some of the wealthiest individuals in the world
- are confident you can gain a detailed understanding of all financial markets and explain it to people who have varying levels of knowledge
- are keen to use both your analytical skills and your excellent social skills
- want to work in one of finance's fastest growing industries.

But before you decide, also be aware that:

- clients can be very challenging – you'll be in the firing line when the markets don't do what you think they'll do
- there's a huge amount to learn – certainly nothing you'll have learnt at school or university
- and did we mention those social skills you'll need?



Will I be recognized as an individual within a large bank?

Despite their size, many banks offer support and guidance to employees to help individuals reach their full potential.



"My job gives me the opportunity to specialize and become an expert."

Banking is extremely competitive. And the recruitment process is rigorous and challenging. These are our top tips to help you stand out:



Research

Immerse yourself in the industry, the firm and the role you're applying for. Interviewers will ask a lot of questions and it's important to show your passion for banking and the role.



Applying

A badly written application form won't get a second glance. So invest time and thought in something that's high quality.

Highlight your talents as well as your experience. Things like teamwork, attention to detail and problem-solving are all important.



Speak to people in the industry

Go to recruitment events and talk to fellow grads/ university alumni. Speaking to people on the inside will give you a better understanding of what working in a bank is really like.



Interviews

Fierce competition means the interview process is tough. So be prepared for at least two stages. These may include an assessment day and, as you progress, the chance to meet more senior people.

First impressions are important at interview so dress smartly. Be enthusiastic and confident – but not arrogant. Think carefully about your answers and prepare questions.



Get experience

Internships are a great way to explore whether a career in banking is right for you, and the experience will help in your final application.

Graduate training programs vary between banks and even between divisions. So be sure to do your research before deciding which is right for you.



Program content and structure

A good program will teach you the basics straight away, covering technical and soft skills with a strong global outlook.

Some programs will be rotational, enabling you to experience a number of roles within a division. But expect to be challenged, and to have real responsibility early on.



People and culture

It's vital to choose a company that knows how to help you excel and achieve your career goals. This should shine through in what you read about their graduate program.

A good program should also allow you to work in a variety of settings and offer exposure to people at all levels and locations across the world.

Check out their corporate social responsibility activities too – always key to the culture of an organization.



Salary and bonuses

In banking your starting salary might be higher than similar level roles in other industries. But don't apply for that reason. This industry wants people committed to making the most of their talents and performing at the top of their game.



Internships

Internships are a practical way to explore whether a career in banking is right for you. They normally last throughout the summer, and are aimed at students between their penultimate and final years of study. Some banks treat an internship as one extended interview, so you need to impress and show your commitment.

Some banks also offer one day or one week mini-internships to first- and second-year students as an introduction into what a career with the bank is really like.