

career choice



BANKING



What is banking?

The UK banking industry employs around half a million people, including specialists in HR, accountancy, law and IT as well as brokers, traders and roles you might more immediately associate with banking. To understand what's involved in working in banking, you first have to know a little bit about the different types of bank:



Investment banks trade on the stock market: they buy and sell assets, such as stocks or bonds, in order to raise capital either for clients or directly for the bank. Investment banks give expert advice to clients to help them maximise their returns and advise on other business, such as buying or merging with other companies.

Retail banks, or 'high street banks', provide financial services, give loans and offer financial advice to members of the public and small businesses.

Corporate banks provide financial services to large companies. They provide sector specific advice, loans, cash management and investment services to their clients (generally companies with an annual turnover of at least £5 million).

Private banks and wealth managers help wealthy individuals with financial planning and manage their assets and investments.



What do bankers earn?

Salaries vary hugely across the different types of jobs within the industry. For example, the 'rock star' salaries of investment bankers, where newly hired graduates can expect to start out on £40,000 a year plus bonuses, don't apply to retail banking, where graduates can expect start on £20,000-£25,000.

There are other factors to consider though, e.g. retail banking's higher job security and lower stress environment. Wherever you work, banking offers extremely competitive salaries and benefits and the potential for rapid career progression, which compares well with any industry. Find out more in our articles on retail banking salaries and investment banking salaries.



Routes into banking

Competition for jobs within the banking sector is tough, particularly for client facing roles. Top grades are a must, but they're not enough on their own – you will need to combine them with great enthusiasm, enterprise and commercial awareness.

There are an increasing number of school leaver schemes (for example Close Brothers' Aspire Programme), but generally banks will be looking for graduates with a minimum of a 2:1 from a top-tier university. The good news is that all degree disciplines are considered.

In investment banking, work experience is vital: 90% of graduates entering Barclays Investment bank in 2012 came from internships. Many candidates will have multiple internships upon graduating, so this is something you need to start planning for early on if you're keen to work in this area.

It's a good idea to consider the wide range of options within banking and the finance industry, for example the 'back office' roles within investment banks, such as the technological roles that are increasingly critical in the industry. Risk management and compliance are other areas of increasing importance within the industry, offering great opportunities for hard working graduates.



Banking employers

Investment banking employers include Bank of America Merrill Lynch, Barclays, Deutsche Bank, UBS, Goldman Sachs and BNP Paribas.

Retail banking is dominated by the four largest retail banks: Lloyds Banking Group, RBS, Barclays and HSBC – although there are new entrants to the area, such as Metro Bank and M&S bank.

Jobs in corporate banking tend to be offered in divisions of the largest banks, such as HSBC, Barclays and RBS.

Wealth management services can be offered by major banks like UBS, Deutsche Bank, Barclays and Goldman Sachs, as well as stock brokers such as Charles Stanley and Rathbones, and many smaller, boutique companies. In addition to applying to the big banks, it is worth researching and applying to smaller firms that don't offer formal graduate training schemes.



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