

Should I work in an Investment Bank or a Boutique?

No one bank is the same. They may offer the same products and services but their leaders are all individuals and the work culture is as individual as the team members. Cultures can even vary within a bank from one team to another.

The key is to keep flexible and not make any definite decisions – you will limit your career opportunities if you do and maybe even miss your ideal role.

However there will always be some general differentials between a large Investment Bank and a Boutique:

At Analyst level – large banks have pools of analysts working together carrying out analysis, research and modelling which they then pass on up the chain. At a boutique analysts work in transaction focussed teams with associates, VP's and Directors – they do the same work but they also see what the information is used for, attend meetings, learn directly from their seniors and have client contact.

- ◆ **Salaries** – base salaries at bigger banks tend to be higher than at Boutiques due to recent regulatory changes in capping bonuses. However the upside bonuses at Boutiques can be very rewarding
- ◆ **Work-life balance** – due to the size and global reach of the larger Investment Banks the work load is continuously heavy with pitches and new business being worked on all the time and hence the long hour culture is a constant feature. Boutiques vary as they tend to be sector specialists and have busy times and slower times dependant on transaction flow – hence you would work long hours at certain key times, for example when heading to deal completion, but the majority of the time the workloads requires a more 8am – 6pm typical day.
- ◆ **Career progression** – the structured and corporate nature of the bigger banks ensure you get good support, training and development moving through the ranks. However, due to the natural pyramid structure within these organisations not everyone will make it all the way to Director or MD. At a Boutique your career progression is as structured but the company is able to tailor any development to your requirements – for example, selecting a sector you are interested in. Also Boutiques run a leaner cost base and staffing coverage – hence there will be opportunities for you to grab opportunities to build your skills and develop at your own speed, there will also be more opportunities to move to Director level.
- ◆ **Prestige** – a lot of the big banks are household names and synonymous with Blue Chip, high calibre, global reputations. The names will look good on your CV as they are also well known for the excellent experience and training you will have obtained. The name opens doors and screams quality. Boutiques can be less well known and careful research is required to ensure you join a reputable, well established boutique with strong principals, a successful track record and busy future pipeline.

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- ◆ **Deal/transaction exposure** – quite simply bigger banks work on higher value transactions and generally with bigger companies. This builds your experience in terms the complexity and international reach of the transactional work but it also dictates who you work with (corporate development teams etc) and how you develop your network. Although there a few boutiques who compete with the top tier banks for “big ticket” deals they tend to work with small to medium sized companies and hence you work directly with MD’s, business owners and the transactional work can be very different.

When choosing which company to work for research their transactional history, their pipeline, their reputation, and their people but do not make judgements until you meet them. You will know the right company and team to join!

