

# ANALYST, ASSOCIATE AND VICE PRESIDENT COMPENSATION REPORT 2016/17

# Welcome to the fifth annual Arkesden Partners compensation report.

The shifts in the UK and global political landscapes in 2016 have been significant, further exacerbating the uncertain ongoing economic outlook.

For its own part the Banking sector continues to assess and attempt to adapt to that uncertainty. 2016 and early 2017 has seen the banks continue their direction of travel towards further risk reducing compensation strategies amongst the backdrop of generally weaker earnings notably for some of the European Banks.

In the mid and junior ranks the trend in remuneration continues towards lowering the bonus culture and placing greater emphasis on increasing fixed compensation elements.

We hope you enjoy the latest report.

**Adam Cairns**  
Founder & Managing Partner  
Arkesden Partners

# Methodology

This is a report for the London based banks, carried out using Arkesden Partners Analyst, Associate and VP networks with willing participants who will remain anonymous.

The number of respondents to the report has increased by 21% year on year giving us yet further confidence in the reported numbers based on the volume and range of data we have gathered.

The accuracy of the survey will be limited by the word of mouth of the participants; however, we have attempted to mitigate this by gaining as many data points as we can and confirming the accuracy of the data with the banks themselves where possible.

The information was gathered after bonuses had been paid between January and March 2017.

# Trends for 2016 compensation

## Overview

It is our opinion based on all the data we have gathered, that the banks have mostly maintained or slightly increased year on year compensation.

Analyst Bonuses were generally on parity with last year, Associate and VP numbers were slightly down on last year. However, most banks paid increasingly high one off bonuses to the very best performers to reward and retain. Therefore the gap between these top performers and the rest of the pack has widened a reasonable margin.

Citi and Bank of America were noticeable in bucking this trend and slightly increasing their mean bonus payment across all their levels year on year.

In a well-publicised move, Deutsche Bank has scaled back its bonus pool in 2016 and this has clearly had an effect on this year's mean figures.

## Analyst Programme Changes

The Analyst programme has been shortened now by all the banks. Most programmes run to a two and a half year window. Notably Goldman Sachs is now running a two year Analyst programme in London, we understand, before promoting to Associate 1 level. This corresponds to the more traditional pre MBA style Analyst programmes of the US based banks.

Our view at Arkesden is that this shortened Analyst training programme has come about for two reasons.

Firstly, for Winter bonus cycle alignment to senior levels enabling continuity in pay and reward structures as the Analyst programme shortens.

Secondly as a direct result of the high erosion rates of Analysts from Banking teams to join other sectors earlier in their careers. Opportunities now abound on the Buyside, Corporate Development and the Fintech market. There is perhaps evidence of the US style 'two years and out' culture developing in the London banks which we have not seen before.

## Analyst, Associate & Vice President – Fixed Compensation

Level	Analyst 1		Analyst 2		Analyst 3		Associate 0/1		Associate 1/2		Associate 2/3		Associate 3/4		VP 1		VP 2		VP 3	
Bank	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
JP Morgan	£50K	£50k	£55K	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£120K	£120K	£135K	£140k	£155K	£155k	£155K	£155k
Goldman Sachs	£50K	£50k	£57K	£60k	£60K	n/a	£76k	£80k	£91K	£95k	£106K	£106K	£122K	£122K	£134K	£134k	£143K	£146k	£160K	£160k
Morgan Stanley	£50k	£50k	£55K	£55k	£60K	£60K	£80K	£80k	£98K	£98k	£111K	£111K	£123K	£123K	£170K	£170k	£170K	£170k	£170K	£170k
BAML	£50K	£50k	£55K	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£120K	£120K	£150K	£150k	£150K	£150k	£150K	£150k
CITI	£50K	6 month £50k	£55K	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£120K	£120K	£135K	£135k	£150K	£150k	£150K	£150k
Barclays	£50K	£50k	£55K	£55k	£65K	£60k	£80K	£80k	£85K	£90k	£105K	£105K	£107K	£107K	£130K	£130k	£135K	£140k	£146K	£150k
Deutsche Bank	£50K	6 month £50k	£55k	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£120K	£120K	£140k	£140k	£140K	£140k	£140K	£150k
Credit Suisse	£51K	£51k	£55K	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£120K	£120K	£150K	£150k	£150K	£150k	£150K	£150k
UBS*	£50K	6 month £50k	£55K	£55k	£60K	£60k	£80K	£80k	£90K	£90k	£105K	£105K	£115K	£115K	£125K	£125k	£135K	£135k	£150K	£150k

\* Base salaries have been frozen at all levels - any salary increase due as a result of a promotion in level will occur during the summer 2017

## Analyst 1 - 2016 Starter

Bank	CYCLE	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	Summer	£50,000	£50,000	NA	NA	£15,000	NA	£65,000	NA
Goldman Sachs	Summer	£50,000	£50,000	NA	NA	£10,000 January Stub	NA	£60,000	NA
Morgan Stanley	Winter	£50,000	£50,000	NA	£17,000	£12,500 January Stub	£15,000	£62,500	£65,000
BAML	Summer	£50,000	£50,000	NA	NA	£15,000	NA	£65,000	NA
CITI*	Winter	£50,000	£50,000 (6 month programme)	NA	£20,000	£12,500 January Stub	£15,000	£62,500	£55,000
Barclays	Winter	£50,000	£50,000	NA	£15,000	£12,500	£15,000	£62,500	£65,000
Deutsche Bank*	Winter	£50,000	£50,000 (6 month programme)	NA	£15,000 Stub bonus	£15,000 January Stub	£15,000 Stub bonus	£65,000	£55,000
Credit Suisse	Winter	£51,000	£51,000	NA	£20,000	£17,400	£17,000	£68,400	£67,000
UBS*	Winter	£50,000	£50,000 (6 month programme)	NA	£15,000	£15,000 January Stub	£15,000	£65,000	£65,000

\*Analyst bonus cycles have moved from Summer to Winter so Analysts received a 6month bonus

## Analyst 2 - 2015 Starter

Bank	CYCLE	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	Summer	£55,000	£55,000	£42,000	£42,000	£32,000	£35,000	£82,000	£90,000
Goldman Sachs	Summer	£57,000	£60,000	£45,000	£44,000	£33,000	£36,000	£90,000	£93,000
Morgan Stanley	Winter	£55,000	£55,000	£35,000	£45,000	£25,000	£33,000	£80,000	£88,000
BAML	Summer	£55,000	£55,000	£41,000	£43,000	£31,000	£33,000	£81,000	£88,000
CITI	Winter	£55,000	£55,000	£40,000	£40,000	£30,000	£32,000	£85,000	£87,000
Barclays	Winter	£55,000	£55,000	£22,000	£42,000	£16,500	£30,000	£71,500	£85,000
Deutsche Bank	Winter	£55,000	£55,000	£28,000	£38,000	£20,000	£32,000	£75,000	£87,000
Credit Suisse	Winter	£55,000	£55,000	£35,000	£41,000	£26,000	£31,000	£81,000	£86,000
UBS	Winter	£55,000	£55,000	£40,000	£45,000	£35,000	£34,000	£90,000	£89,000

## Analyst 3 - 2014 Starter

Bank	CYCLE	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	Summer	£60,000	£60,000	£51,000	£57,000	£41,000	£47,000	£91,000	£107,000
Goldman Sachs*	Summer	£60,000	£80,000	£57,000	£58,000	£43,000	£48,000	£103,000	£108,000
Morgan Stanley	Winter	£60,000	£60,000	£45,000	£54,000	£35,000	£42,000	£95,000	£102,000
BAML	Summer	£60,000	£60,000	£52,000	£56,000	£38,000	£42,000	£93,000	£102,000
CITI	Winter	£60,000	£60,000	£50,000	£55,000	£35,000	£45,000	£95,000	£105,000
Barclays	Winter	£60,000	£60,000	£25,000	£50,000	£20,000	£41,000	£80,000	£101,000
Deutsche Bank	Winter	£60,000	£60,000	£30,000	£50,000	£25,000	£40,000	£85,000	£100,000
Credit Suisse	Winter	£60,000	£60,000	£45,000	£52,000	£30,000	£40,000	£90,000	£100,000
UBS	Winter	£60,000	£60,000	£50,000	£60,000	£45,000	£47,000	£105,000	£107,000

\*Goldman Sachs now only has a two year analyst programme on a summer cycle – 2014 starters are now Associate 1

## Associate 0/1 - 2013 Starter

Bank	2015 Fixed	2016 Fixed	2016 Associate Sign On	2016 Upper Bonus	2016 Stub Bonus	2016 Mean Bonus	2016 Mean Total Comp
JP Morgan	£80,000	£80,000	£22,500	£65,000	£21,500	£48,000	£132,000
Goldman Sachs	£76,000	£80,000	NA	£80,000	NA	£56,000	£132,000
Morgan Stanley	£80,000	£80,000	NA	£54,000	NA	£41,000	£121,000
BAML	£80,000	£80,000	£25,000	£60,000	£35,000	£42,000	£142,000
CITI*	£80,000	£80,000	NA	£85,000	NA	£54,000	£134,000
Barclays	£80,000	£80,000	NA	£81,000	NA	£51,000	£131,000
Deutsche Bank*	£80,000	£80,000	NA	£80,000	NA	£48,000	£128,000
Credit Suisse	£80,000	£80,000	NA	£82,000	NA	£53,000	£133,000
UBS*	£80,000	£80,000	NA	£83,000	NA	£52,000	£132,000

\*No longer have an Associate 0 programme, Analyst 3 will now go straight to Associate 1. Associate programme is now 4 full years



## Associate 1/2 - 2012 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£90,000	£90,000	£90,000	£90,000	£65,000	£65,000	£155,000	£155,000
Goldman Sachs	£91,000	£90,000	£80,000	£92,000	£66,000	£66,000	£157,000	£157,000
Morgan Stanley	£98,000	£98,000	£70,000	£67,000	£63,000	£52,000	£161,000	£150,000
BAML	£90,000	£90,000	£90,000	£90,000	£58,000	£65,000	£148,000	£155,000
CITI	£90,000	£90,000	£80,000	£90,000	£60,000	£61,000	£150,000	£151,000
Barclays	£90,000	£90,000	£80,000	£85,000	£62,000	£62,000	£152,000	£152,000
Deutsche Bank	£90,000	£90,000	£90,000	£84,000	£58,000	£58,000	£148,000	£148,000
Credit Suisse	£90,000	£90,000	£85,000	£100,000	£61,000	£60,000	£151,000	£150,000
UBS	£90,000	£90,000	£80,000	£90,000	£55,000	£64,000	£145,000	£154,000

## Associate 2/3 - 2011 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£105,000	£105,000	£110,000	£110,000	£75,000	£74,000	£180,000	£179,000
Goldman Sachs	£106,000	£106,000	£85,000	£112,000	£78,000	£78,000	£184,000	£184,000
Morgan Stanley	£111,000	£111,000	£90,000	£90,000	£68,000	£66,000	£179,000	£177,000
BAML	£105,000	£105,000	£105,000	£110,000	£70,000	£74,000	£175,000	£179,000
CITI	£105,000	£105,000	£90,000	£108,000	£75,000	£76,000	£180,000	£181,000
Barclays	£105,000	£105,000	£110,000	£100,000	£75,000	£71,000	£180,000	£176,000
Deutsche Bank	£105,000	£105,000	£100,000	£105,000	£75,000	£70,000	£180,000	£175,000
Credit Suisse	£105,000	£105,000	£104,000	£110,000	£80,000	£76,000	£185,000	£181,000
UBS	£105,000	£105,000	£120,000	£105,000	£72,000	£74,000	£177,000	£179,000

## Associate 3/4 - 2010 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£120,000	£120,000	£140,000	£140,000	£85,000	£84,000	£205,000	£204,000
Goldman Sachs	£120,000	£122,000	£120,000	£142,000	£91,000	£90,000	£213,000	£210,000
Morgan Stanley	£123,000	£123,000	£160,000	£120,000	£88,000	£76,000	£212,000	£199,000
BAML	£120,000	£120,000	£120,000	£138,000	£84,000	£85,000	£204,000	£205,000
CITI	£120,000	£120,000	£130,000	£140,000	£83,000	£87,000	£203,000	£207,000
Barclays	£107,000	£120,000	£120,000	£115,000	£81,000	£81,000	£188,000	£188,000
Deutsche Bank	£120,000	£120,000	£135,000	£114,000	£82,000	£80,000	£202,000	£200,000
Credit Suisse	£120,000	£120,000	£130,000	£140,000	£86,000	£86,000	£206,000	£206,000
UBS	£123,000	£123,000	£125,000	£130,000	£88,000	£84,000	£198,000	£207,000

## VP 1 - 2009 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£135,000	£140,000	£140,000	£155,000	£96,000	£102,000	£231,000	£237,000
Goldman Sachs	£134,000	£134,000	£170,000	£200,000	£104,000	£105,000	£238,000	£239,000
Morgan Stanley	£170,000	£170,000	£170,000	£150,000	£110,000	£80,000	£262,000	£250,000
BAML	£150,000	£150,000	£150,000	£165,000	£105,000	£102,000	£248,000	£252,000
CITI	£135,000	£135,000	£132,000	£140,000	£96,000	£107,000	£231,000	£242,000
Barclays	£130,000	£130,000	£160,000	£130,000	£92,000	£91,000	£222,000	£221,000
Deutsche Bank	£140,000	£140,000	£140,000	£120,000	£91,000	£78,000	£231,000	£218,000
Credit Suisse	£150,000	£150,000	£140,000	£170,000	£95,000	£93,000	£237,000	£248,000
UBS	£125,000	£125,000	£145,000	£160,000	£97,000	£100,000	£222,000	£225,000

## VP 2 - 2008 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£155,000	£155,000	£200,000	£228,000	£131,000	£136,000	£282,000	£291,000
Goldman Sachs	£143,000	£146,000	£210,000	£237,000	£127,000	£130,000	£270,000	£273,000
Morgan Stanley	£170,000	£170,000	£190,000	£198,000	£124,000	£102,000	£284,000	£272,000
BAML	£150,000	£150,000	£175,000	£229,000	£128,000	£124,000	£278,000	£274,000
CITI	£150,000	£150,000	£165,000	£260,000	£121,000	£128,000	£271,000	£278,000
Barclays	£135,000	£140,000	£180,000	£220,000	£124,000	£121,000	£259,000	£256,000
Deutsche Bank	£140,000	£140,000	£180,000	£190,000	£120,000	£104,000	£260,000	£244,000
Credit Suisse	£150,000	£150,000	£200,000	£240,000	£124,000	£122,000	£274,000	£272,000
UBS	£135,000	£135,000	£200,000	£235,000	£113,000	£128,000	£251,000	£263,000

## VP 3 - 2007 Starter

Bank	2015 Fixed	2016 Fixed	2015 Upper Bonus	2016 Upper Bonus	2015 Mean Bonus	2016 Mean Bonus	2015 Mean Total Comp	2016 Mean Total Comp
JP Morgan	£155,000	£155,000	£240,000	£260,000	£155,000	£159,000	£310,000	£314,000
Goldman Sachs	£160,000	£160,000	£250,000	£272,000	£157,000	£161,000	£317,000	£321,000
Morgan Stanley	£170,000	£170,000	£238,000	£235,000	£148,000	£123,000	£318,000	£293,000
BAML	£150,000	£150,000	£225,000	£263,000	£153,000	£151,000	£303,000	£301,000
CITI	£150,000	£150,000	£215,000	£265,000	£141,000	£153,000	£291,000	£303,000
Barclays	£146,000	£150,000	£205,000	£240,000	£138,000	£140,000	£284,000	£286,000
Deutsche Bank	£140,000	£150,000	£215,000	£220,000	£144,000	£128,000	£284,000	£268,000
Credit Suisse	£150,000	£150,000	£225,000	£255,000	£141,000	£141,000	£291,000	£291,000
UBS	£150,000	£150,000	£240,000	£250,000	£146,000	£152,000	£296,000	£302,000

# Arkesden Partners

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We are a leading search firm that focuses on placing individuals into financial services and Corporates.

We are London based but we undertake mandates throughout Europe, MENA and North American regions. We have over a decade of experience and focus individuals at the Director, Vice President, Associate and Analyst levels.

## Arkesden Banking

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Arkesden Banking Practice has consistently delivered both for our clients and candidates since its inception. The team operates across numerous markets including:

- M&A
- ECM
- Broking
- Restructuring
- Sector and Country Coverage
- Debt Advisory
- Leveraged Finance.

Arkesden Banking clients range from a select group of Tier 1, Tier 2 and Boutique Banks. Many of the relationships we hold have been developed over many years. Those relationships have often been strongest during economic downturn and indeed both our client and candidate community appreciate the continued support we offer them regardless of economic conditions. While sourcing individuals is a key part of what we do, we also provide market data and mapping services to our community.

## Our Approach

During our history we have built a very wide ranging network of professionals within our five core markets. This has been built from real belief and understanding of the importance many people place on their careers. We always aim to offer sound medium term career advice. This approach has led us to be recommended many times to other professionals and clients alike to build fresh relationships.

To find out more about Arkesden Banking and the work we do please feel free to contact us.

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