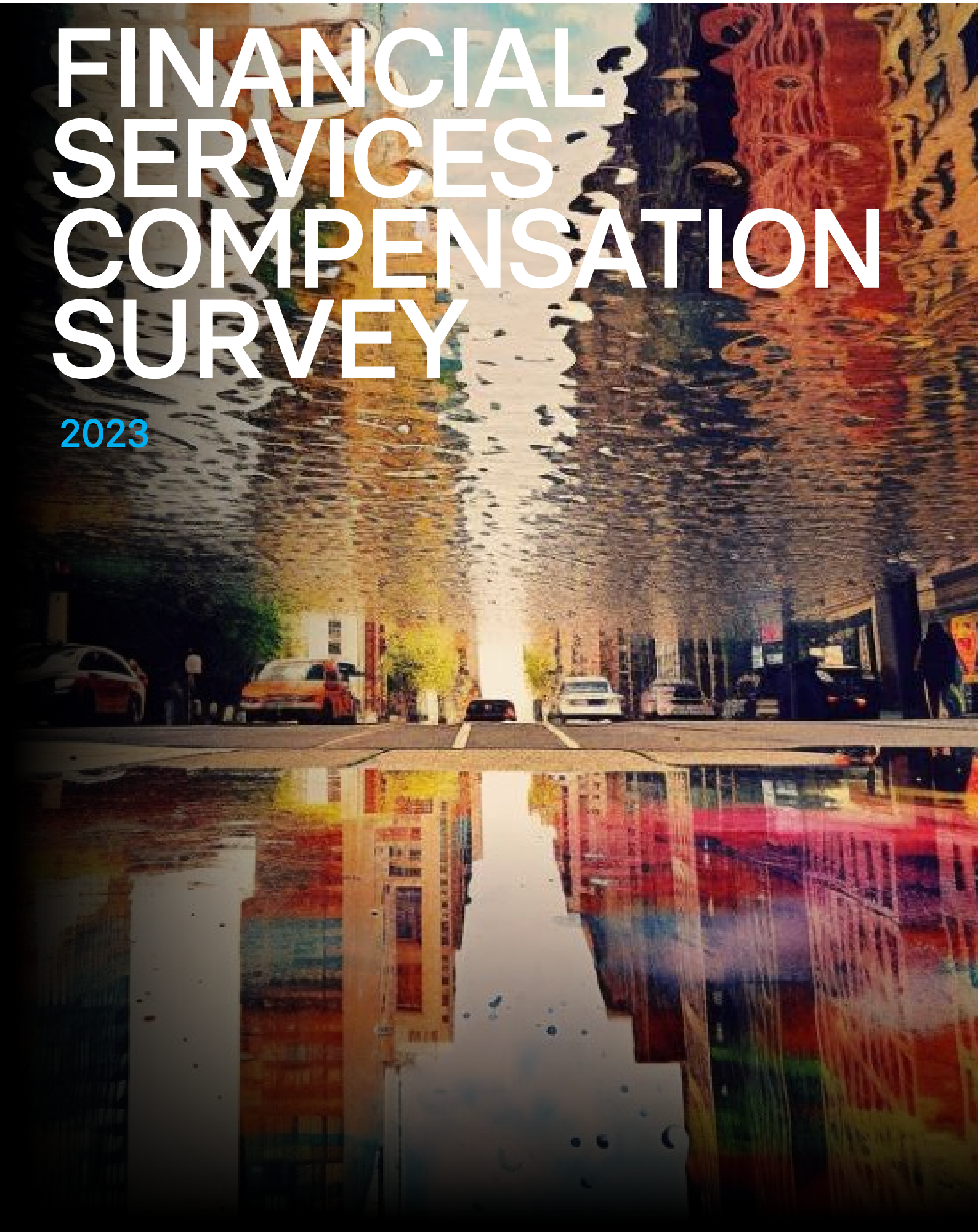


FINANCIAL SERVICES COMPENSATION SURVEY

2023



The eFinancialCareers 2023 financial services compensation survey



Welcome to the eFinancialCareers 2023 financial services salary and bonus survey. Following one of the most challenging bonus rounds for years, this is our annual snapshot of global compensation across both the buy-side and the sell-side in the financial services industry. If you're a candidate, this is your tool for salary and bonus negotiation. If you're a line manager or recruiter, it's an opportunity to benchmark the compensation you're offering.

There were some unexpected results in this year's survey – pay for investment bankers fell less than expected, despite plummeting fees. Contrary to expectations, the squeeze was worse in sales and trading and support functions.

As in previous years, we also offer a perspective on working hours and pay per hour for different roles, plus a look at who was and wasn't satisfied with their pay. Financial services is still a long-hours business, although hours worked have fallen. It's also still a business in which people are dissatisfied with their pay, although our data suggests satisfaction varies considerably by bank and by sector.

The survey ran between late February and late March 2023. It had nearly 3,500 responses, spread across the UK and the US, Continental Europe, Singapore, and Hong Kong.

Sarah Butcher, Editor,
eFinancialCareers

Zeno Toulon, Reporter,
eFinancialCareers

Financial services is still a long-hours business, although hours worked have fallen."

Financial services pay in 2023 versus 2022, US\$

	Mean Total Compensation, 2023	Mean Total Compensation, 2022	Median Total Compensation, 2023	Median Total Compensation, 2022
Sales and Trading	\$318,600	\$406,847	\$286,000	\$280,400
Investment Banking Division	\$274,313	\$273,028	\$214,100	\$194,779
Equity Research	\$218,642	\$195,219	\$167,400	\$165,200
Quant	\$179,133		\$198,000	
Technology	\$164,300	\$196,796	\$136,670	\$195,000
Risk	\$158,631	\$197,352	\$170,564	\$189,300
Finance	\$149,504	\$180,282	\$122,150	\$126,143
Compliance	\$132,952	\$169,950	\$102,403	\$126,143
Operations	\$131,139	\$130,347	\$124,150	\$111,650

If you work in financial services, you'll hardly need to be told that 2023 is not 2022. Last year was a golden age for financial services for recruitment (at least in the very early months) and the pay that was on offer reflected the bumper returns of 2021.

2023 is a different beast entirely. The global economy is in a different place, as is the financial services industry. Any comparisons are made within a different set of parameters.

Nonetheless, eFinancialCareers' 2023 compensation data shows a few points of commonality with 2022. Sales and trading roles are still the highest paid on both a mean and median basis. Operations jobs – unsurprisingly perhaps – paid the least on average in both years.

There are some surprises too, though. Despite all the complaints about lower bonuses and falling pay, the mean average of total compensation actually increased marginally in the investment banking

division (M&A, equity capital markets and debt capital markets) this year compared to last and the median average rose nearly 10%. The implication is that banks kept paying dealmakers, even in a difficult year, and that money was skewed away from high paying senior bankers towards lower paid people at the bottom of the hierarchy.

Equally surprisingly, our data suggests it was salespeople and traders whose pay declined most on average last year – despite markets divisions performing well by comparison.

Most notably, there was a large decline in both mean and median compensation in the control roles: risk, compliance, finance. It seems banks have been squeezing non-revenue generators.

Declining pay for engineers was also notable. Offshoring and near-shoring to low-cost locations may be to blame. As banks cut costs, hiring engineers in Eastern Europe, Texas and India remains popular, for example.

“ Sales and trading roles are still the highest paid on both a mean and median basis.”

Working hours and compensation, by sector, US\$

	Total Compensation, 2023	Hours Worked	Average salary per hour	Average compensation per hour
Sales and Trading	\$318,600	51.6	\$61.6	\$118.8
Investment Banking Division	\$274,313	60.4	\$53.3	\$87.3
Equity Research	\$218,642	55.3	\$49.3	\$76.0
Quant	\$179,133	44.3	\$53.1	\$77.8
Technology	\$164,300	42.6	\$55.1	\$74.2
Risk	\$158,631	45.6	\$52.2	\$66.9
Finance	\$149,504	43.9	\$44.5	\$65.5
Compliance	\$132,952	43.6	\$47.8	\$58.7
Operations	\$131,139	44.8	\$42.2	\$56.3

Unsurprisingly, our survey respondents in investment banking divisions (IBD) worked the most over the last year, averaging 60-hour work weeks. That's a lot less than the complaints about 100-hour work weeks during the pandemic. It also a lot less than IBD respondents said they were working last year, when 70 hours a week was their average.

of the most fortunate in terms of pay per hour. However, the large bonuses on offer in sales and trading make markets professionals the most highly remunerated on an hourly basis.

The takeaway from our data for pay per hour is that although people in the investment banking division have great compensation packages, they don't earn that much more on an hourly basis, for instance, technologists or equity researchers. The best jobs in banking, therefore, depend upon individuals' priorities. Sales and trading might pay the most overall, but if you want more life outside work, the best options may either be in engineering or quant teams.

Away from IBD, others in finance work more standard hours. In equity research and sales and trading, most of our respondents reported average weekly working hours between 42 and 46, with technologists working the least.

Technologists in finance are also some

“The best jobs in banking, therefore, depend upon individuals' priorities.”



Who's the most satisfied with their pay? And who works the most?

	Percentage of respondents satisfied with their pay
Sales and Trading	41.1%
Investment Banking Division	41.4%
Equity Research	59.1%
Quant	55.0%
Technology	49.0%
Risk	43.2%
Finance	45.8%
Compliance	46.2%
Operations	49.4%

Financial services professionals are notoriously hard to please and the recent compensation round seems to have been no different. Our data suggests that the most satisfied divisions are equity researchers and quants – in fact, they're the only ones generally positive about their paydays.

The best paid people – those in investment banking and sales & trading – were the most disconsolate, with only 41% or so believing they were fairly compensated. Other roles fell between these two extremes, with a range between 43% and 49%.

We found little correlation between pay satisfaction and either hours worked or pay per hour. However, qualitative responses to the survey suggested that many respondents would be prepared to tolerate lower pay in return for shorter working hours, weekends off, the opportunity to work from home at least three days a week, or a condensed working week. This year, there were also growing numbers of qualitative complaints about understaffing and burnout. And among our technology respondents there was grumbling about the issues created by poor technology infrastructure.

Which banks were perceived as paying the most and least fairly?

Bank	Percentage of respondents satisfied with their pay
Deutsche Bank	59.6%
Barclays	55.9%
Bank of America	55.1%
Citi	54.0%
Standard Chartered	50.0%
JPMorgan	47.1%
Other	46.9%
Morgan Stanley	45.9%
BNP Paribas	41.9%
Goldman Sachs	41.2%
Credit Suisse	40.5%
UBS	38.2%
SocGen	24.1%
HSBC	14.0%

Again surprisingly, it's European banks who have kept staff happiest in terms of pay this year. Respondents at Deutsche Bank and Barclays top our list for pay satisfaction. However, employees at London-based HSBC – technically a European bank, albeit with a major Asian presence – were among the least happy with their pay.

American banks have gained a reputation for paying more generously than Europeans, but as the chart above shows, some faltered last year. A high proportion of Citi's respondents said they were satisfied with their pay (54%), whilst JPMorgan and Morgan Stanley respondents reported pay satisfaction rates of 47% and 46%, respectively.

At Goldman Sachs, 41% of respondents were satisfied. Qualitative responses suggested a mismatch between performance and reality: unhappy Goldman respondents typically told us they had a strong year but that pay had not matched this.

The numbers were not unsurprising. Goldman had a challenging year in 2023,

and Bank of America had a comparatively good one. Banking is a cyclical industry, as everyone who works in it knows.

Our data suggests that the two banks where employees are happiest about their pay are based in Singapore. DBS and OCBC, ranked top for pay satisfaction. However, the small sample size for both banks means they're not represented in the chart.

Which bank works the most hours?

Bank	Average hours worked per week	Percentage change in working hours vs. 2022
Credit Agricole	56.9	+2.5%
BNP Paribas	54.8	+0.6%
SocGen	53.0	-1.7%
Morgan Stanley	52.8	+0.7%
Barclays	51.8	+1.3%
Citi	51.5	+3.9%
Goldman Sachs	51.4	-6.0%
JPMorgan	50.3	+0.6%
Nomura	50.2	-1.7%
Standard Chartered	49.9	+4.5%
UBS	49.8	+1.4%
Deutsche Bank	49.3	-0.2%
UOB	49.2	+7.6%
DBS	49.0	+0.8%
Credit Suisse	48.9	-1.9%
HSBC	48.3	+0.1%
Bank of America	48.0	-2.7%
Natixis	47.9	+10.6%
Other	47.5	+0.6%
OCBC	45.0	-5.9%

Perhaps surprisingly, given the country's strict (and very much popularly enforced) labour laws, the three banks where employees reported the longest working hours were all in France. Credit Agricole, BNP and SocGen all work employees unexpectedly hard.

By comparison, shorter working hours were on offer at Natixis (also French) and Singaporean bank OCBC. The cause of the variation isn't obvious and maybe attributed to differences in the roles worked by respondents at different banks. Equally, though, the small spread between the longest and the shortest working hours at each bank indicates clustered results – and therefore relative uniformity.



Pay in the investment banking division, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst	\$95,846	\$43,703	\$139,549
Associate	\$151,723	\$99,100	\$250,823
Vice President	\$201,490	\$145,581	\$347,071
Director	\$212,697	\$203,267	\$415,964
Managing Director	\$359,589	\$281,983	\$641,571

The figures in the chart above are global averages for compensation in the investment banking division (M&A, ECM

and DCM) at each level of the financial services hierarchy.

Pay remains highly stratified in the investment banking division, with compensation increasing by around \$100k for each rise in rank (which occurs, in theory, every 2-3 years). Reaching the MD (Managing Director) stage leads to an increase in compensation of approximately \$135k, on average.

Pay in Sales & Trading, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst	\$85,596	\$26,291	\$111,887
Associate	\$154,325	\$107,730	\$262,055
Vice President	\$205,860	\$135,996	\$341,855
Director	\$257,148	\$282,612	\$539,761
Managing Director	\$394,605	\$513,514	\$908,119

Sales and Trading (S&T) respondents, predictably, were the biggest earners in our survey. While pay in sales and trading largely matches that for the investment banking division for early-to-mid career professionals, our data suggests that

pay for markets professionals takes a step forward at director level and a leap forward at MD level. At this point in their careers, respondents in this category are earning an average of seven figures in total compensation.

While mean average pay in sales and trading fell in the past year, the median average increased. This suggests that pay is being more widely distributed down the hierarchy, and that the number of really high earning traders has diminished.

Pay in technology and quantitative roles, US\$

Technology

Job Title	Salary	Bonus	Total Compensation
Analyst	\$79,100	\$2,094	\$81,194
Associate	\$82,989	\$7,171	\$90,160
Vice President	\$145,382	\$39,159	\$184,541
Director	\$184,418	\$63,291	\$247,708
Managing Director	\$268,467	\$115,133	\$383,600

Quant

Job Title	Salary	Bonus	Total Compensation
Analyst	\$94,773	\$20,589	\$115,362
Associate	\$144,600	\$37,058	\$181,658
Vice President	\$161,147	\$37,556	\$198,703
Director	\$217,943	\$111,784	\$329,727
Managing Director	\$-	\$-	\$-

As banks seek to rein-in technology spending, technology pay has fallen significantly, particularly on a median basis. While other sectors saw declines driven by declining fortunes for high earners, technology pay therefore fell more broadly across the board.

The fall puts pay for technology professionals more in line with other non-revenue-generating office roles.

While falling pay is likely the result of the migration of technology jobs to low-cost locations, it's also notable that technologists have had a particularly difficult year. Market pressures from big tech layoffs (at Amazon and Meta especially) mean there is a healthy supply of experienced developers looking for jobs. Banks have traditionally struggled to compete with technologist hiring against big tech firms, and pay rose to help attract talent, but this is no longer required.

Interestingly, technology pay progresses similarly to quant pay (although some 20% below it at least, at all ranks), except at the associate level, where quants earn significantly more – likely due to a flatter hierarchy in the latter leading to increased responsibilities earlier in a quant's career.



Pay in risk, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst	\$77,544	\$6,026	\$83,569
Associate	\$81,518	\$21,349	\$102,867
Vice President	\$152,088	\$25,074	\$177,162
Director	\$194,511	\$60,808	\$255,319
Managing Director	\$-	\$-	\$-

Risk departments in banks remain critical both from a regulatory and operational point of view. While our data suggests that risk pay is substantially lower than pay in sales and trading, risk professionals also work slightly shorter hours. Risk pay is heavily skewed towards salaries. Analyst bonuses in risk are particularly tiny, and even at senior levels bonuses remain at less than a third of salaries on average.

Pay in compliance, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst	\$57,828	\$7,379	\$65,206
Associate	\$66,458	\$5,488	\$71,945
Vice President	\$146,622	\$27,800	\$174,422
Director	\$197,519	\$54,005	\$251,524
Managing Director	\$272,780	\$67,800	\$340,580

Much like risk, compliance pay is heavily weighted towards salary-based compensation as opposed to bonuses. However, compliance professionals experience a mid-career bump as bonuses go from approximately 10% of salary to around 25-30% of salary.



Banking pay by locations: New York, London, Asia Pacific, Continental Europe

All figures are in US\$.

New York

Job Title	Salary	Bonus	Total Compensation
Analyst	\$103,429	\$39,858	\$143,287
Associate	\$172,269	\$100,000	\$272,269
Vice President	\$228,210	\$116,020	\$344,231
Director	\$272,745	\$207,815	\$480,560
Managing Director	\$390,533	\$410,000	\$800,533

APAC

Job Title	Salary	Bonus	Total Compensation
Analyst	\$53,677	\$7,752	\$61,429
Associate	\$81,858	\$58,524	\$140,382
Vice President	\$148,360	\$47,348	\$195,707
Director	\$215,099	\$157,444	\$372,544
Managing Director	\$241,008	\$141,672	\$382,680

London

Job Title	Salary	Bonus	Total Compensation
Analyst	\$77,818	\$17,686	\$95,505
Associate	\$106,023	\$43,466	\$149,490
Vice President	\$151,885	\$65,841	\$217,725
Director	\$226,221	\$187,334	\$413,554
Managing Director	\$404,562	\$464,163	\$868,725

Europe

Job Title	Salary	Bonus	Total Compensation
Analyst	\$88,757	\$35,049	\$123,805
Associate	\$99,242	\$56,067	\$155,309
Vice President	\$142,307	\$73,448	\$215,755
Director	\$161,591	\$126,566	\$288,158
Managing Director	\$279,540	\$176,000	\$455,540

Our data suggests there is very much a geographical hierarchy of pay. The biggest pay packages across a banker's career are still, generally, in the traditional centres of finance – London and New York. Although New York is predictably the

best paying city across most stages of a financial services career, New York based professionals aren't in prime position where it matters most – at the very top of the pyramid. That particular accolade goes to London and to its managing directors (MDs).



Managing director pay is lowest in in Continental Europe and APAC. Here, our data suggests bonuses are approximately 60% of salary, on average, compared to 105-115% on average in London and New York. However, this may be due to the role-based distribution of our respondents in those locations.

Pay is most “democratically” distributed in continental Europe, where an MD only earns three to four times as much as an analyst – compared to five and a half times in New York, six times in APAC, and a notable nine times in London.



Buy-side vs sell-side pay, US\$

	Working Hours	Average Salary	Salary / Hour
Buy-side	47.3	\$166,441	\$67.70
Sell-side	49.2	\$165,688	\$64.72

The buy-side is often idealized by financial services professionals as a place of fewer working hours and better pay, but that might not actually be the case.

Our data suggests that the average financier on the buy-side works on average just two hours fewer than her counterpart on the sell-side, for what is almost the same pay.

Pay in private equity, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst	\$83,669	\$40,134	\$123,803
Associate	\$126,333	\$79,019	\$205,352
Principal	\$183,982	\$83,264	\$267,247
Managing Director	\$516,409	\$102,575	\$618,984

It's hard to take the high-water mark on private equity pay, as in good years carried interest distorts numbers significantly. Due to substantial annual variations, we haven't factored carried interest into the numbers below. Depending on the level of seniority, as well as the size of the fund, carried interest can reach the tens of millions of dollars – meaning that comparing “regular” compensation figures like-for-like with investment bankers is not recommended.

Pay in hedge funds, US\$

Job Title	Salary	Bonus	Total Compensation
Analyst/Researcher	\$248,154	\$143,081	\$391,235
Portfolio Manager	\$177,949	\$231,313	\$409,261
Support Staff	\$145,411	\$101,544	\$246,954
Technologist	\$205,140	\$124,120	\$329,260
Trader	\$153,262	\$189,275	\$342,537

Hedge funds, as expected, pay the best of the buy-side bunch. Even technologists in hedge funds earn more there than on

the sell-side – twice as much, in fact – and even the member of support staff in a hedge fund earns nearly as much as an investment banker.

The real money at a hedge fund, of course, is in portfolio management. By this point in his or her career, a financier has a proven track record. It's no surprise that they earn as much on average as senior staff do at banks around the world.

Hedge Fund vs Private Equity pay, US\$

	Working Hours	Average Salary	Salary / Hour
Hedge Funds	50.9	\$196,754	\$74.38
Private Equity	50.6	\$167,451	\$63.58

There's an ongoing debate regarding comparative working hours and pay in hedge funds and private equity. Curiously, working hours at both are pretty much on a par.

Hedge funds pay significantly better than private equity, by nearly \$30k a year. They pay more than any area of the sell-side, including both investment banking and sales & trading. The same disclosures noted above about private equity pay still apply – our figures do not include carried interest.

