Will banks look at my application if I have a 2.2 or a third?

The harsh reality is that most big banks will discount anyone without a 2.1 degree, even if you have graduated from the best universities in the country. Banks receive so many applications that they have to find methods to make a selection, and the first selection is based on academic performance. The worst part of this is that even if you get a post-graduate degree, banks will still look at your undergraduate degree and this will be weighted against you, even though the first degree’s record can be mitigated by outstanding performance in your second degree.

How can I get a job in investment banking if I have a 2.2 or a 3rd?

All is not lost. There are a few ways that will allow you to get into big investment banks, even though this can be difficult initially. Here are a few commonly suggested routes:

Finish another degree with top grades

This is the ideal scenario if you studied something other than finance or business for your first degree. If you got poor grades for the first non-finance degree, you could enroll in a Masters in finance/accounting at a prestigious school, and study extremely hard to reach top grades. Often, this will be sufficient to mitigate your poor performance. When applying to banks, make sure you highlight some mitigating factors for your poor undergraduate performance. Valid excuses include your need to help the family business, your great involvement in some club activities, or any other personal reasons.

Focus on lower-tier institutions

Many students who don’t earn top grades try to apply to non-investment banking positions (such as back office, operations, etc.) in the hope of transferring to investment banking. In our view, this is a mistake, because such transfers will be highly unlikely. It is much easier to transfer from a lower-tier bank to a top-tier bank, than moving across very different departments in a top-tier bank, especially into the M&A department, which rarely accepts "outsiders". Therefore, we encourage you to apply for lower-tier institutions that may overlook a weak academic performance. That includes banks such as HSBC, RBS, Commerzbank, or Santander. These banks do not receive many applications compared to Goldman Sachs and Morgan Stanley, and also London investment banking boutiques, for which we have compiled an extensive list. Those smaller banks tend to focus on some niche areas such as technology, retail, or natural resources sectors. Sometimes they focus on smaller deals or specialised transactions, and include HCA Saavian, Piper Jaffray, Evercore, Moelis, Oppenheimer, Thomas Weisel, Brown Brothers Harriman, William Blair, etc.When the economy picks up and M&A volumes are increasing, the top bulge brackets will often hire from boutiques, given the shortage of applicants. This will be your chance to move into top investment banks.

Go work for a corporation and enter banking later

Many bankers did not start as an analyst from the graduate scheme. Banks typically specialise in Industry groups (technology, retail, healthcare), and therefore industry experience is highly sought after. A good solution would be to work for a blue-chip corporate outfit (such as Microsoft, Procter & Gamble, BT, Vodafone, etc.) for two to three years, and use this experience to apply to investment banks later on. The ideal position for a placement into investment banking would be to work in the internal strategy department or corporate M&A department of the firm. At the same time, to make yourself more attractive, you could get an ACCA qualification or a CFA qualification to show your strong finance skills.

Do an MBA in two to three years

Life as an investment banking analyst is very hard, so it may not be in your best interest to directly enter into investment banking. There is one way to skip this step: the MBA. Therefore, one solution to poor academic performance would be to do something that you truly enjoy for two or three years (work for a corporation, a non-profit organisation, start a business), excel at it, and prepare yourself for a top MBA. The recipe to get into a top MBA is to work hard, do your research, participate in many activities outside work (volunteer, start a business, do something out of the ordinary, learn new languages), and study very hard for your GMAT. A top MBA on your CV will essentially give you a shot at all the best investment banks, without the pain of a three-year stint as an investment banking analyst!