



How to you become an investment banking associate?

Investment banking associates are typically fresh MBA graduates with a few years of professional experience (not necessarily in banking or finance), or analysts that have been promoted to the next level. In the U.S., MBAs are the majority but in the rest of the world and London, promoted analysts are the majority. Associates from MBA programmes go through a very similar process to analysts, but the interviews are much more focused on technical skills and leadership abilities, which are key skills for an associate.

What does an investment banking associate do everyday?

Checking analyst work and teaching analysts.

Analysts and Associates are often paired together when working on presentations or deals, and Associates are responsible for “quality control”: checking financial models, checking accuracy and quality of PowerPoint slides, multiples, spelling and making sure the requests are properly addressed. Because they rely so much on analysts, they will spend a lot of time training them and showing them how things are done.

Project management: allocating work and chasing up people.

Associates will receive requests directly from a wide range of people: VPs, Directors, and MDs. Their job will be to divide the work and allocate the tasks between themselves and analysts, and chase up various people to make sure that everything is produced accurately and on time. Associates spend a significant amount of time on the phone and sending emails around, getting things done.

Handling the more complex financial modelling.

Associates also do a lot of analyst work, creating slides and producing financial analysis. But they usually handle the more complex financial modelling and difficult tasks. This is especially the case in live transactions, where their work will be reviewed by the VPs.

Admin tasks

Associates will deal directly with internal legal and compliance teams in live transactions, liaise with other banks, accountants, lawyers, co-advisers, etc. They will create agenda topics ahead of meetings, and participate in analyst recruiting.

Dealing with clients

Associates spend time facing clients, but mostly talking about “the numbers”, i.e. financial modelling issues.

Whom do investment banking Associates work with?

Associates work at all levels, and occupy a critical in-between position. They deal with analysts to whom they give work, and get requests from VPs, Directors, and MDs. They often interact with other teams in the bank and have some meaningful client interaction.

Do investment banking Associates work long hours?

Yes, but not as long as analysts. A good day starts at 9:30 a.m. and ends up between 8 and 10 p.m., while a busy day finishes at midnight to 2 a.m., but this is more unusual. Expect 70 to 80 hours per week as a guide. There is often weekend work but it tends to be a few hours in conference calls and checking analysts' work. However, this is not an easy lifestyle at all - Associates are under tremendous pressure as they have to manage analysts (i.e. pressure to make sure the work gets done properly, on time, and that the analyst understands what needs to be done), and they have to interact with the senior bankers, some of whom can be extremely demanding. Also if anything goes wrong on a deal or for a presentation, the Associate is always the person who will be held responsible.

When do investment banking Associates get promoted?

Associates are promoted to the VP level after three to three-and-a-half years. Becoming a Vice President is a competitive process and promotion is not automatic; in many cases, third-year Associates can be asked to leave the firm. Associates will have to demonstrate that they can manage transactions, that they have fully mastered the technical aspects of the job, and they need to be well appreciated by people in their team and other teams.

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