

FINANCIAL SERVICES COMPENSATION EXPECTATIONS SURVEY 2011

INVESTMENT BANKING OPERATIONS FINDINGS

ROBERT WALTERS



AHEAD OF THIS YEAR END, WE SURVEYED 346 PROFESSIONALS WORKING WITHIN THE OPERATIONS FUNCTIONS OF INVESTMENT BANKS. THE RESULTS REVEAL THAT THE MAJORITY ARE EXPECTING BONUSES AND MORE THAN THREE-QUARTERS ARE THINKING ABOUT MOVING ROLES POST COMPENSATION REVIEW.

“As a barometer of sentiment within the banking sector, the survey results are surprising. Despite real uncertainty in the market, more operations professionals are expecting a bonus than a pay rise this year. Whether compensation levels will ultimately prove to be this high remains to be seen. However, the fact that almost eight in ten are thinking about moving roles is telling and indicates there will be increased movement in the New Year.”

Sally Martin, Associate Director – Operations Recruitment

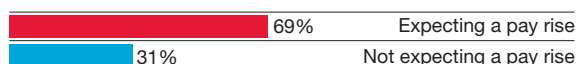
SURVEY RESULTS AT A GLANCE

- 69% are expecting a pay rise this year
- 62% expect this pay rise to be between one and six per cent of their salaries
- 88% are expecting a bonus this year
- Almost six in ten expect this bonus to be 11 per cent of their salaries or more
- 78% of professionals are considering moving once they have received their bonus
- 46% of those thinking about moving specify career development as their primary motivation

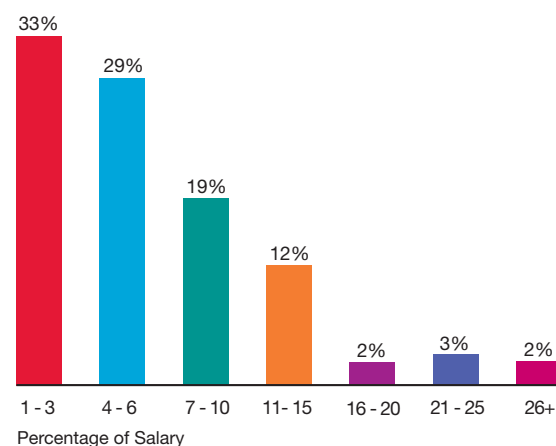
PAY RISES

Almost seven in ten are expecting salary increases this year although few are predicting these to be significant. A third are predicting a pay rise of one to three per cent and 81% are expecting an increase of ten per cent or less.

Percentage of respondents expecting a pay rise



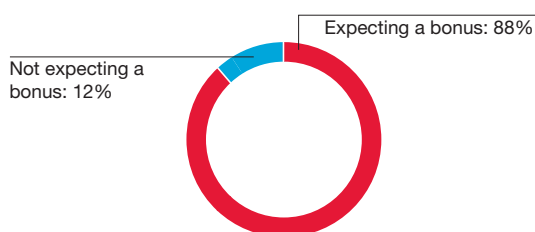
Size of pay rise expected



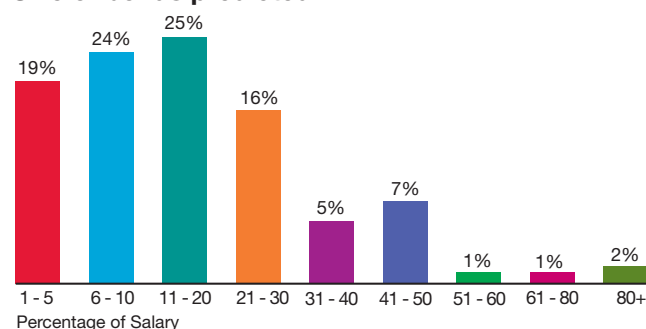
BONUS EXPECTATIONS

Our survey reveals that almost nine in ten banking operations professionals are expecting a bonus this year. People are anticipating larger bonuses than pay rises, with 81% of these professionals expecting a bonus of six per cent or more of their salaries and 57% predicting a bonus of more than ten per cent of their salaries.

Percentage of respondents expecting a bonus



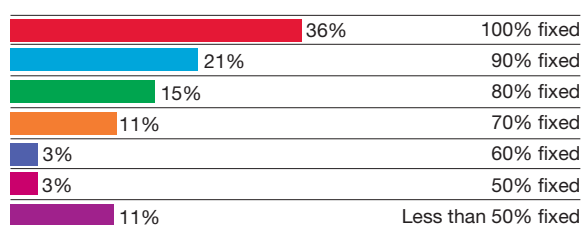
Size of bonus predicted



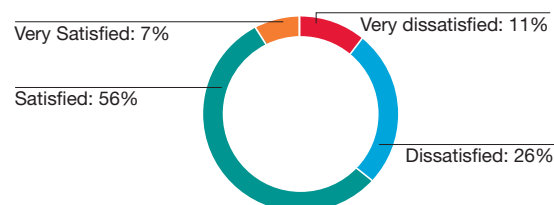
COMPENSATION PACKAGE STRUCTURE

Banks have been adjusting the fixed-to-variable weighting of total compensation packages over the past couple of years. A comparison with our results from 2010 showed this trend has continued in 2011. 72% of people working within banking operations now have compensation packages that are at least 80 per cent fixed, compared to 59% a year ago.

Fixed/Variable Structure of Compensation Package



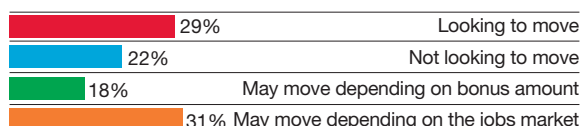
Respondent satisfaction with compensation package structure



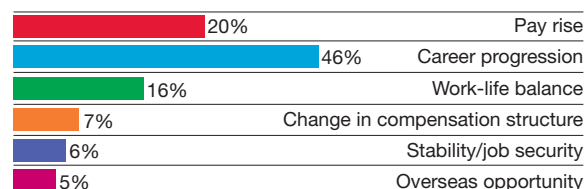
MOVING JOBS

78% of respondents are considering their career options and may look to move post bonus pay-out. Whether pay rises and improved work-life balance are realistic in the current market is open to debate. However, with career progression being the primary motivation for moving for many, firms could focus on developing individuals to retain existing staff and attract the best people in the market.

Percentage of professionals looking for a new job post bonus

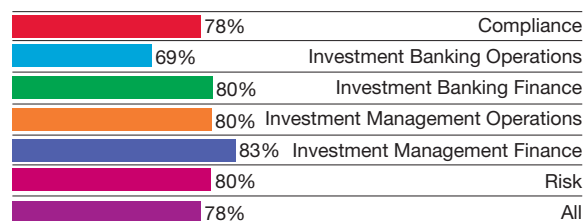


Primary motivation for moving to a new role

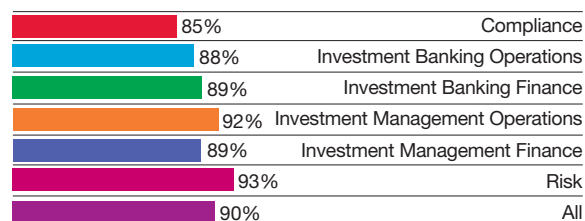


JOB FUNCTION AND INDUSTRY COMPARISON

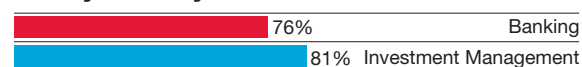
Percentage of respondents expecting a pay rise by function



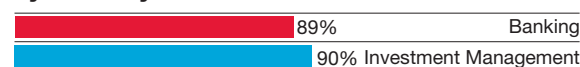
Percentage of respondents expecting a bonus by function



Percentage of respondents expecting a pay rise by industry



Percentage of respondents expecting a bonus by industry



CONTACT

For all your recruitment needs please contact:
Sally Martin – Associate Director, Operations Recruitment
 020 7509 8787
sally.martin@robertwalters.com

www.robertwalters.co.uk

About the survey.

The Robert Walters Financial Services Compensation Expectations Survey 2011, conducted in September 2011, asked exactly 1,600 respondents working in operations, finance, risk and compliance functions (i.e. non-fee generating) of financial services institutions about their pay and bonuses expectations ahead of their year-end. The respondents included 346 banking operations professionals from analyst to VP level. For the overall breakdowns or analysis of other functions, contact Sally Martin on 020 7509 8787 or sally.martin@robertwalters.com