The Private Banking
&
Wealth Management Guide

Common Questions

What is Private Banking

- Private banking professionals offer financial services and banking solutions to high-net-worth individuals, focusing on personalized client relationships and confidentiality. Like a private consultant guiding a client's financial journey, private bankers focus on building deep relationships and proactively managing clients' complex financial needs.

What is Wealth Management

- Wealth managers provide comprehensive financial services tailored to high-net-worth individuals and families, focusing on investment management, financial planning, tax strategies, estate planning, and more. Wealth managers design investment portfolios, offer strategies for long-term wealth preservation, and advise on diversified asset allocation to meet clients' unique goals.

What is the main difference between private banking and wealth management?

- Private banking focuses on personalized banking services and investment products for high-net-worth individuals, just based on exclusive, relationship-based banking solutions. In contrast, wealth management provides a broader range of financial services, including comprehensive financial planning, investment management, and estate planning, aimed at long-term wealth growth and protection. Wealth management is more holistic, while private banking is more banking-centric.

What are the main differences between an RIA (registered investment advisor), a private bank, and a wirehouse? (the 3 main sectors)

- **RIAs** are independent and fiduciary-focused, offering personalized financial advice for high-net-worth and ultra-high-net-worth individuals (Corient, Crewe Advisors, ATHOS)
    - Primarily fee-based, usually charging a percentage of assets under management (AUM) or flat fees
    - More freedom when it comes to selecting investments
- **Private banks** focus on integrated financial solutions for high-net-worth individuals within a bank's wealth division (J.P. Morgan, Goldman Sachs)
    - Generally a mix of fees, commissions, and interest from lending and deposit services
    - Investment products offered to clients are more regulated
    - Unique ability to offer lending services to clients
- **Wirehouses** are large, full-service brokerage firms offering a broad range of financial products, often with an emphasis on both commission-based and fee-based models (e.g. Morgan Stanley, Merrill Lynch)
    - Operate as teams under the brand umbrella

At what firms have BYU students recently placed within Private Banking and Wealth Management?

BYU has placed students into elite roles at various private banks, broker/dealers, registered investment advisors, and investment management firms. These include the following:

Private Banks:
- JP Morgan
- Goldman Sachs
- UBS
- Bank of America
- Citi

Wirehouse:
- Morgan Stanley
- Merrill Lynch

Registered Investment Advisor:
- Corient
- Jordan Park
- ICONIQ
- Pathstone
- Evoke Advisors

Investment Management:
- PIMCO
- Dodge & Cox
- Ensign Peak Advisors

Why do individuals pursue ?

Training:

Enjoyment:

Starting Compensation:
- Private Bank: $90-$110K
- Broker/Dealer: $70-$100K
- Large RIA: $70-$100K

What city do you need to live in for Private Banking / Management?

Firms within our industry are everywhere. However, we generally recommend starting your career in a hub city (New York City, Los Angeles, San Francisco, Boston, Chicago, Dallas, Houston, Miami, Salt Lake City, etc.).

What does work-life balance look like in Private Banking / Management?

This industry is the definition of “write your own story.” Analyst roles (as with all high finance) will require more dedication, typically 40-60 hours per week depending on the firm. As you grow in your skillset and transition to advisory or portfolio management roles, you become more free to work as you wish. Work days and hours are decided by you and the needs of your clients, often leading to very attractive work-life balance opportunities. High-ranking professionals in this industry work anywhere from 20 hours a week to 50 hours a week. However, while you may not be in the office 24/7, you are responsible for being “on call” most of the time, acting like a financial doctor to clients.

If I want to be a mother or a father, can I pursue Private Banking / Management?

Absolutely! As mentioned before, once you’ve established yourself in this industry and have a book of business, you are at the wheel when it comes to work. This makes managing family and work priorities much easier than other career opportunities in finance.

What GPA do I need to pursue Private Banking / Wealth Management?

Most firms view a 3.3 as their minimum GPA requirement, with a 3.7 and above being expected from most candidates.

When do I need to begin pursuing Private Banking / Wealth Management?

To land a Private Banking / Wealth Management internship and subsequent full-time role, it is important to begin preparing early.

Freshman Year: On-campus internship, active PBWMA association involvement, PBWMA NetTreks, figure out what firm/career values matter most to you

Sophomore Year: Active PBWMA association involvement, PBWMA NetTreks, PBWMA case competitions, seeking and applying for internships through handshake/LinkedIn, offering free internship work to boutique RIA's around BYU, informational interviews for anticipated junior year internship applications

Junior Year: Active PBWMA association involvement, PBWMA NetTreks, PBWMA case competitions, apply to EVERYTHING that fits your interests, mock interviews with upperclassmen, informational interviews

Senior Year: If you have a full-time offer, GIVE BACK and mentor other students. Take interesting finance electives to expand your abilities as an employee. Consider preparing for the CFA Level I or CFP exams. If you don't have a full-time offer, it's not too late. Many of our firms will hire for full-time roles. Keep networking and applying.

Where can I find experience?

Opportunities for BYU students looking to gain experience on their resume include:

- On-campus internships
- BYU - Brigham Capital
- BYU - Silver Fund
- University Growth Fund
- BYU Study Abroad Programs
- MBS Association Case Competitions
- Finance Society Association NetTreks

There are many more opportunities outside of these listed as well. Many students will find their own opportunities either through club emails, job postings online, or other connections.

These roles traditionally require some amount of finance experience on a resume before students will be accepted to the program. These firms recruit students directly. You should make sure you are on the BYU PBWMA email list, so you hear about these opportunities when they arise.

What should I do if I have more questions?

Please reach out to club leadership, your student career coach, or any member of Tanya's team. Association meetings are great opportunities to meet club leaders and fellow students and ask questions in person.

PBWMA club meetings take place on Thursdays from 7:00pm-8:00pm in TNRB 184.

If you have any other questions, reach out to club email at byuawma@gmail.com