



Job profile: Corporate Finance

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What

When businesses are looking to develop further, either through expansion, mergers or acquisitions of other firms, they will usually seek expert advice from teams that can support them through the process. If you work in corporate finance the chances are you'll either be based in a large department within an investment bank, a large accountancy practice, legal firm or a large corporate firm. A big part of the job involves dealing with the transactional side, raising capital through issuing shares / bonds. Due diligence is a paramount part of the role. An organisation may need to raise money for various reasons, including addressing any debt that they have or develop and expand their business – but the fundraising side is just one aspect. You might be actively involved in structuring deals, negotiating terms, valuing a business, helping to prepare business plans or conducting due diligence analysis to discover how commercially sound a business proposal is. There's also an element of compliance work. Adding value is crucial within this career. Employers will seek out commercially aware, intelligent and ambitious candidates with excellent social skills who can take initiative and enjoy solving problems.

Salary

Graduate entry level positions start at approximately £22,000 per annum. With the right experience, qualifications and skills you could progress to management roles and earn in excess of £150,000 per annum. This does not include potential bonuses and additional benefits. Salaries will vary considerably based on location and employer.

Tasks

- Researching market conditions and developments
- Conducting investigations into the financial and commercial state of companies, giving consideration to particular transactions
- Carrying out financial modelling, then developing and presenting appropriate financial solutions
- Providing advice on capital structure
- Project managing transactions, negotiating terms and developing proposals to raise funds
- Constructing new issue and takeover timetables
- Providing instructions to other colleagues and professionals, such as lawyers
- Publishing financial announcements
- Restructuring debt
- Ensuring all the regulatory aspects of a transaction have been considered
- Undertaking due diligence of firms

Skills

- Outstanding relationship building and management skills
- Analytical and strong numerical skills
- Well-rounded commercial and economic awareness and understanding of the financial markets
- Business communication and interpersonal skills
- Confident negotiator
- Energy and commitment
- Excellent project management skills
- Flexibility, as **significant** extended hours may be required during specific negotiations and deals, including long weekdays and weekends
- Ability to work within a regulated environment and comply with set policies and procedures

Useful knowledge and experience

A new entrant will not always be required to have this knowledge. Employers usually provide training to acquire skills for:

- How business finance and deals are structured
- Sound knowledge of risk analysis and due diligence techniques

Entry qualifications

The opportunities to enter corporate finance are aimed at people with a degree. Employers will require entrants to be numerate, but will accept graduates from any subject discipline who have typically achieved a 2:1 degree. Employers will specify their own exact academic requirement and subject. Some corporate financiers are qualified lawyers.

Professional and higher qualifications

Many people entering corporate finance sometimes come from careers including accountancy, treasury or law and undertake professional qualifications relevant to these areas. This provides the commercial insight and financial knowledge needed to help companies to structure deals. Advising on corporate finance business is a Financial Services Authority regulated activity and thus requires an Appropriate Qualification. The industry-wide qualification taken is the Chartered Institute for Securities & Investment (CISI) Level 3 Certificate in Corporate Finance.

Professional qualifications that are benchmarked as being most relevant to this role include:

- ICAEW (Institute of Chartered Accountants in England and Wales) Corporate Finance qualification, which can be obtained by either an experience route or a study route
- CFA Society of the UK Investment Management Certificate (IMC)
- Association of Corporate Treasurers (ACT) AMCT Diploma in Treasury.

Regulatory compliance training is becoming very important in corporate finance and trainees are also likely to undertake additional qualifications to qualify to work with clients. See the Compliance profile for details.

Increasingly, people working in corporate finance have postgraduate qualifications or more advanced qualifications such as

- The CFA Institute's Chartered Financial Analyst (CFA) program
- A relevant Masters degree or Masters in Business Administration (MBA)
- Association of Corporate Treasurers (ACT) MCT Advanced Diploma.

At the very least, most corporate financiers will strive to achieve Chartered Status or Fellowship from an appropriate professional body.

UK and global opportunities

Due to the lucrative salaries and exciting prospects a career in corporate finance can offer, competition for training positions is always exceedingly high. Although the recruitment and number of positions will fluctuate and mirror the economic climate, transactions form a major part of the investment and banking sector as businesses are challenged to respond to new market conditions and developments. Investment banks, accountancy and legal firms are the major employers of corporate finance specialists, which may have sector specific or activity specific divisions. Other employers include corporate finance boutiques, which tend to specialise in industry sectors or fewer areas of work. Companies also employ corporate finance specialists, with the role also being covered by treasurers. UK-based positions are almost exclusively in London, although some of the accountancy and legal practice firms have regional offices and divisions. Globally, the main corporate finance centres are New York and London, followed by major European cities such as Frankfurt and Paris.

Find out more

Association of Corporate Treasurers (ACT) – www.treasurers.org

CFA Institute – www.cfainstitute.org

CFA Society of the UK – <https://secure.cfauk.org/index.html>

Chartered Institute for Securities & Investment – www.cisi.org

Directions – www.directions.org.uk

ICAEW (Institute of Chartered Accountant in England and Wales) – www.icaew.com/careers