



# Salary study for IT professionals in the Financial Sector

## INTRODUCTION —

The purpose of this study is to define the current situation and trends seen in the salaries of IT professionals in the Financial Sector. The study will analyse both Corporate and Retail banks and Services Sector companies, such as consultancy firms and systems integrators.

In order to carry out the study, we have analysed a total of:

- **15 financial institutions** both national and international with an IT department of more than 100 employees,.
- **14 national and international consultancy firms who have a practice in Financial Services.**

We have compiled a universe of data of **300 professionals** of which **120** originate from the services sector and **180** from financial Institutions. All have at least 7 years experience in this area.

## INTRODUCTION ---

In order to compare the salary levels of IT professionals in Financial Institutions with those in the Services Sector, we have created these equivalencies for the study:

Professional Level within Financial Institutions	Professional Level within companies in the Services Sector	Years of Experience	Study Equivalent
CIO	Partner/ MD	+ 15	CIO
Director/ Business Partners	Senior Manager	10-15	Director
Manager	Manager	8-10	Manager
Project Leader	Team Leader	+ 5	Project Leader

## INDEX

The Study is structured using the following chapters:

- 1** Executive Summary
- 2** Results
- 3** Conclusions & Trends

## 1 EXECUTIVE SUMMARY —

**From the salary study of IT professionals in the Financial Sector the following observations can be drawn:**

- A** Average salaries vary between **47.000 €** and **154.000 €**. High market demand has meant an increase of between **5 and 10 %** in the last year.
  
- B** Significant salary variations can be seen between professionals which come from the following areas :
  - **Global Corporate Banking vs. Retail Banking**
  - **Applications Development vs. Infrastructure Management**
  - **Financial Institutions vs. Services companies**
  
- C** From the previous comparison, it can be seen that Financial Institutions are more attractive in terms of salary and social benefits than companies in the Services Sector, which thus permits them to recruit the most highly qualified IT professionals.

## 2 RESULTS

### A Average Salaries in Spain

Average	Project Leader	Manager	Director	Partner / CIO
Fixed Salary	47.200	61.000	89.000	154.100
Variable	2.300	10.200	22.600	110.100

These salaries represent an increase of between 5 and 10% over the past year, reflecting the high demand for qualified positions.

## 2 RESULTS —

### A Average Salaries in Spain

In addition to this, salaries in this sector rise dramatically towards the high level directive positions, both in the fixed salary and variable component:

Average	Project Leader	Difference	Manager	Difference	Director	Difference	Partner / CIO
Fixed Salary	47.200	29%	61.000	46%	89.000	73%	154.100
Variable	2.300	X 4	10.200	X 2	22.600	X 5	110.100

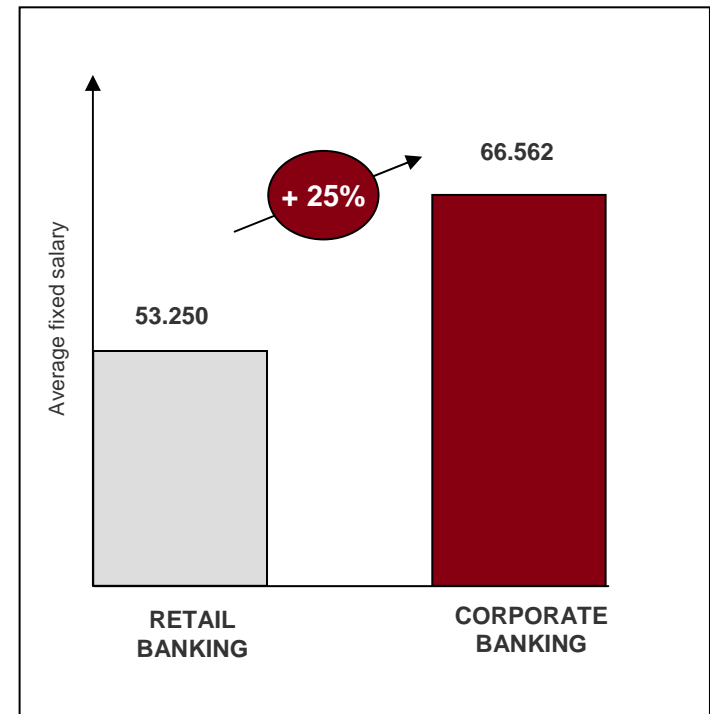
## 2 RESULTS

B

There is a difference of over 25% between the areas of Global Corporate Banking (Capital Markets, Corporate Banking, Treasury and Transactional Banking) and Retail Banking. In our opinion this is due to the following:

- In recent years there has been a general trend of expansion within the Investment Banks and an appearance of localisation with the creation of IT departments.
- This has generated a high demand for IT professionals with development skills in Global Corporate Banking systems.
- There is still a shortage of IT professionals with expertise for applications for Capital Markets due to the incipient development of this area within Spain.

BY AREA  
Retail Banking vs. Corporate Banking





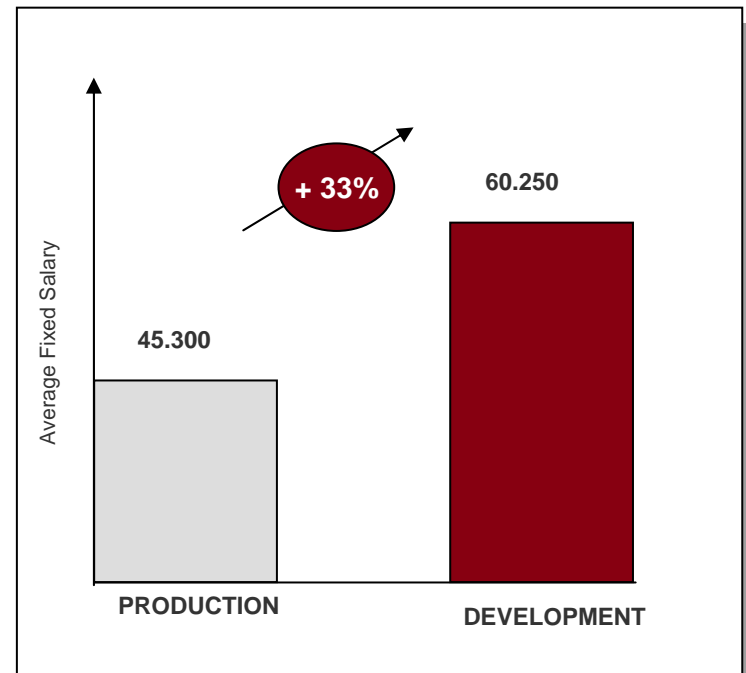
## 2 RESULTS

**B** There is a difference in salaries of more than 30% between the areas of application development and those of technical support in technological infrastructure. In our opinion, this is due to the following:

➤ A high demand for skills in specific functional areas (risk applications, CRM and MIS, payment services, etc.).

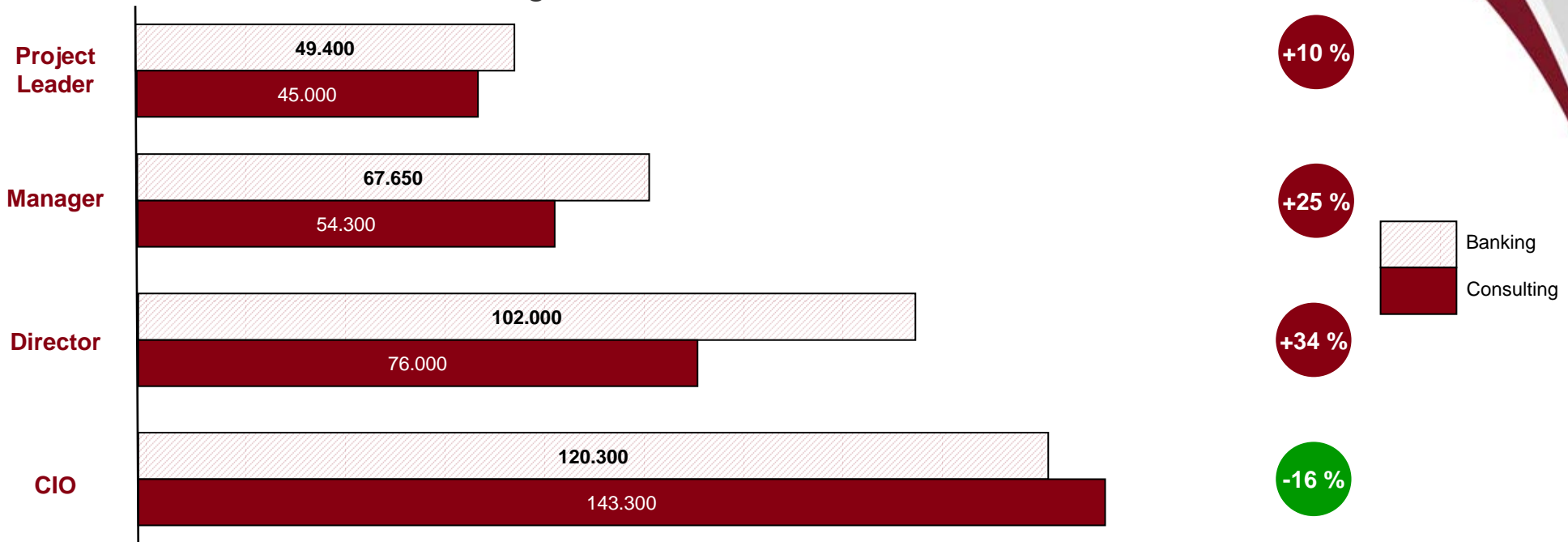
➤ Production skills are similar in all industries and there is a greater horizontal mobility (knowledge of DB2, Oracle, Production Management).

**BY EXPERTISE**  
Production vs. Application Development



## 2 RESULTS —

Ⓒ There is a significant difference in the salaries of Banking Professionals compared to Consultancy Professionals, which can explain the attraction towards banking:



➤ This trend reverts to a superior position as a result of the distorted effect of the compensation of consultancy firms with the Partnership model, thus why it is not shown in the Service companies that are listed in the Stock Exchange.

➤ There is an optimization point for the benefits of a leap from the Professional's point of view: 7 – 10 years experience. A Director of a company in the Services Sector can expect a salary increase of 34%.

## 2 RESULTS —

Ⓒ In addition to this, Financial Institutions offer a package of Social Benefits which are far superior to those offered by Services Companies.

Social Benefits Available	Financial Institutions	Services Companies
Credit/Mortgage Facilities	YES	NO
Rewarded Accounts	YES	NO
Pension Plan	YES	NO
Company Car	YES	YES
Medical Insurance	YES	YES
Life Insurance	YES	YES

### 3 CONCLUSIONS AND TRENDS —

i

Our estimation is that salaries will continue to grow (more than 5%) due to the **high demand of technology professionals** in the Financial Sector, both in Services Companies and Financial Institutions.

This is based on local demand and the presence of Spanish companies in international projects:

- Accenture Spain in the UK (Alliance & Leicester)
- IBM Spain in Turkey (ISBANC)
- BBVA in Latin America
- Grupo Santander across Europe (Abbey, Totta, SCF)

ii

For this reason, the most in demand and valued professionals are those with **geographical mobility** and **language skills**. This professional profile is scarce and is now being developed in Spain. Currently, a professional with this profile would look to receive a Premium of between 15 and 20%.

iii

For the Banks there is a **growing pressure to reduce social costs** and be more flexible within the technology area, creating external technology companies organised like services companies, or outsourcing.



# BAO & PARTNERS

## Signium International

### MADRID

C/ Serrano, 76 - 3º - 28006  
Tel.: +34 91 781 5210  
Fax: +34 91 781 5219

### BARCELONA

Avda. Diagonal, 600 - Pral. 1ª - 08021  
Tel.: +34 93 362 1211  
Fax: +34 93 362 1212

### LONDON

2nd Floor, Berkeley Square House - W1J 6BD  
Tel: +44 020 7887 6258  
Fax: +44 020 7887 6259

... and 30 offices around the world.