



CHARLES
ARISTM

Change Lives | Transform Businesses | Enrich Communities

2022 Strategy Consulting Compensation Study

January 30, 2022

Thank you

- ◆ Charles Aris is proud to present our **12th Annual Strategy Consulting Compensation Study**, and we extend our heartfelt thanks to the 2,484 of you who took the time to complete our voluntary and anonymous compensation survey which made this study possible. We're grateful to have such strong support from the strategy community.
- ◆ Once again, we pledged to donate \$10 to one of three nonprofits for every completed survey, up to \$10,000. We are thrilled to announce that you helped us meet that goal and make a positive impact on the following three charities:



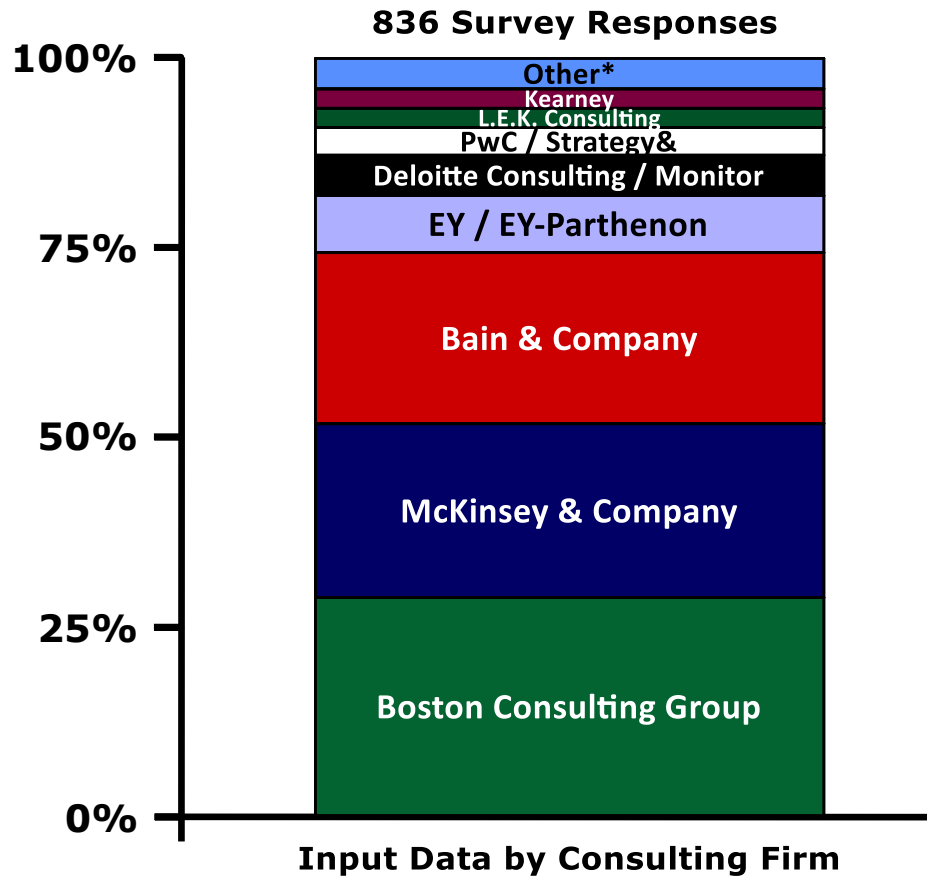
Key Facts on the Compensation Data Used for this Study



- ◆ All compensation data points for this study were collected via a voluntary and anonymous survey between August 30 and December 31, 2021. The survey tool, SoGoSurvey, restricts Charles Aris from seeing any identifying markers about anyone who completes the survey. It is also important to note that this voluntary and anonymous survey methodology ensures that all compensation data points gathered in this report abide strictly by the pay equity laws of each state, territory and municipality associated with the United States.
- ◆ 2,484 individuals – 1,136 of whom are current consultants – completed our survey. Of the remaining 1,348 respondents, 1,266 are former consultants, and 82 have never worked in consulting. For the purposes of this study, only data points from current consultants were used. **On March 27, 2022 we will publish a second compensation study that focuses solely on former consultants.**
- ◆ We eliminated 300 of the 1,136 responses from current consultants, leaving us with 836 total responses for this report. Responses were eliminated for a myriad of reasons, the most common of which were incomplete responses or the sample size for specific graduation years were too small to allow for meaningful analyses.
- ◆ Compensation data points are voluntarily and anonymously self-reported by respondents and are not verified through any other means. That said, we are confident that the data points are accurate, given the consistency in responses we received across consultants and firms.



Input Data by Consulting Firm

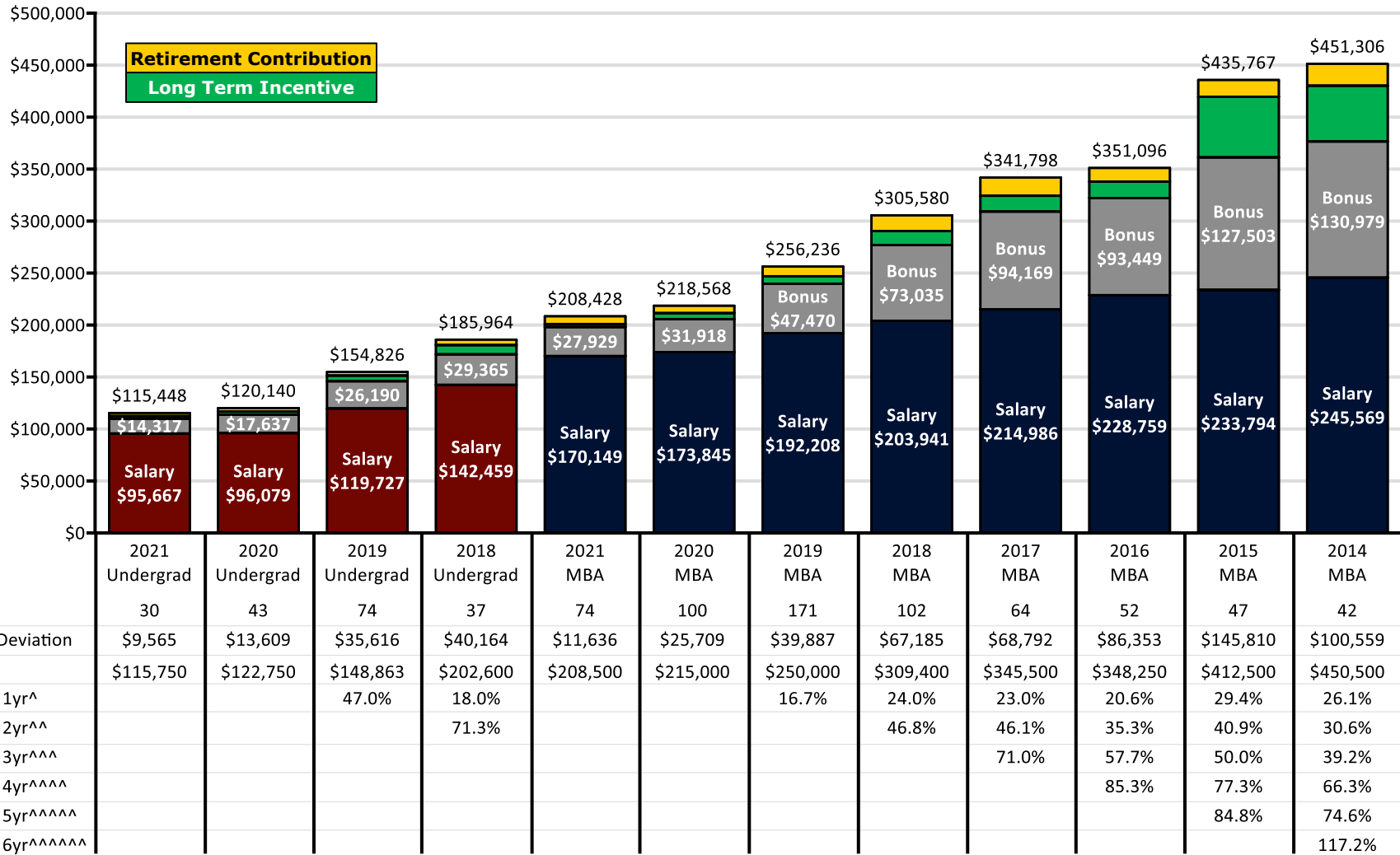


- ◆ Our 2022 Strategy Consulting Compensation Study is driven by **836** survey responses from consultants across 13 consulting firms.
- ◆ 73.7% of the responses come from consultants at “The Big Three” firms: Boston Consulting Group, Bain & Company and McKinsey & Company.
- ◆ Of the 836 total responses, 652 come from post-MBA consultants, and 184 come from pre-MBA / undergraduate consultants.

*Other includes Oliver Wyman, Accenture, PwC, KPMG and AlixPartners



Average Compensation by Graduation Year



^% Change1yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2020 to 2021, for that graduation year.
 ^^% Change2yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2019 to 2021, for that graduation year.
 ^^% Change3yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2018 to 2021, for that graduation year.
 ^^% Change4yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2017 to 2021, for that graduation year.
 ^^% Change5yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2016 to 2021, for that graduation year.
 ^^% Change 6yr equals the percentage change in annual compensation (base salary plus target annual bonus only), from 2015 to 2021, for that graduation year.

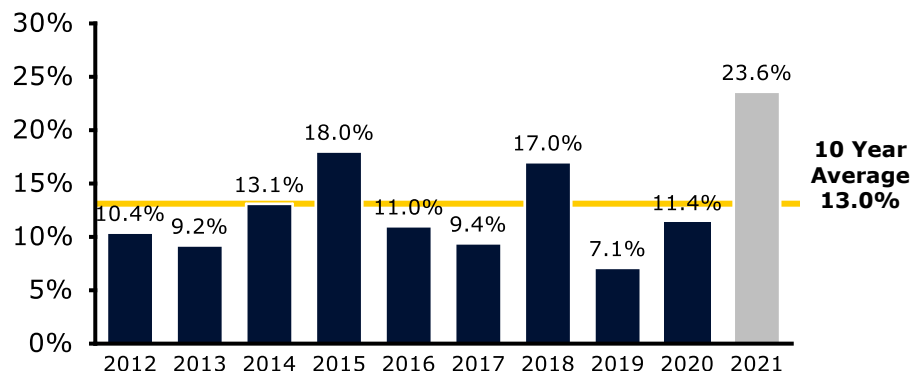


Average Increase in Annual Compensation



Post-MBA

How much did the average post-MBA consultant's compensation increase compared to the previous year?



◆ On average, post-MBA strategy consultants experienced a **whopping 23.6% increase** in compensation from 2020 to 2021 (see "% Change 1yr^" data line on previous page), the highest percentage increase over the past 10 years.

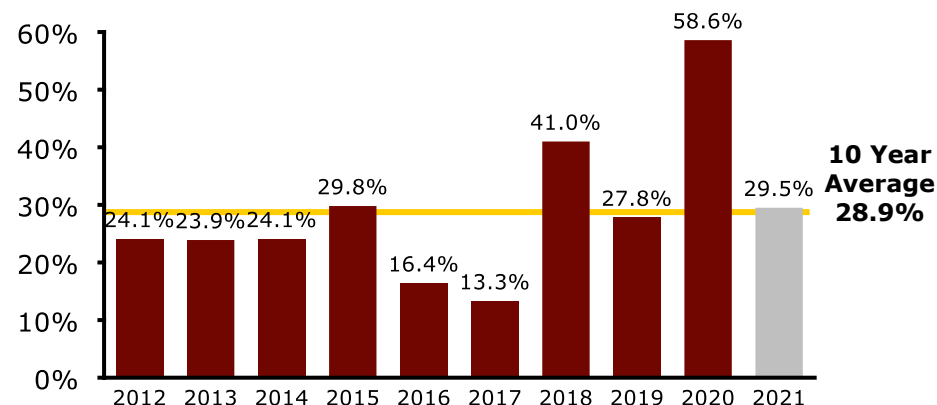
◆ **What's driving it?** Pandemic fallout created the "Great Resignation," which established 2021 as the tightest labor market in the United States in over 50 years. Plus, consulting boomed! We observed widespread compensation increases in almost every industry to retain talent, consulting perhaps most of all.

◆ Pre-MBA compensation increases were cut in half in 2021 relative to 2020, and **yet still increased by 29.5%**! It might look like a down year, but a 30% increase is still incredible relative to any other industry.

◆ **What's driving it?** Last year's 58.6% increase was a result of a huge increase in direct promotes (pre-MBAs receiving a promotion to a post-MBA position). While the trend towards more direct promotions has not slowed, the year over year change is now more in line with the 10-year average. This, coupled with the tightest labor market in the United States in over fifty years, resulted in the fourth largest compensation increase in the past 10 years for pre-MBA consultants.

Pre-MBA

How much did the average pre-MBA / undergraduate consultant's compensation increase compared to the previous year?

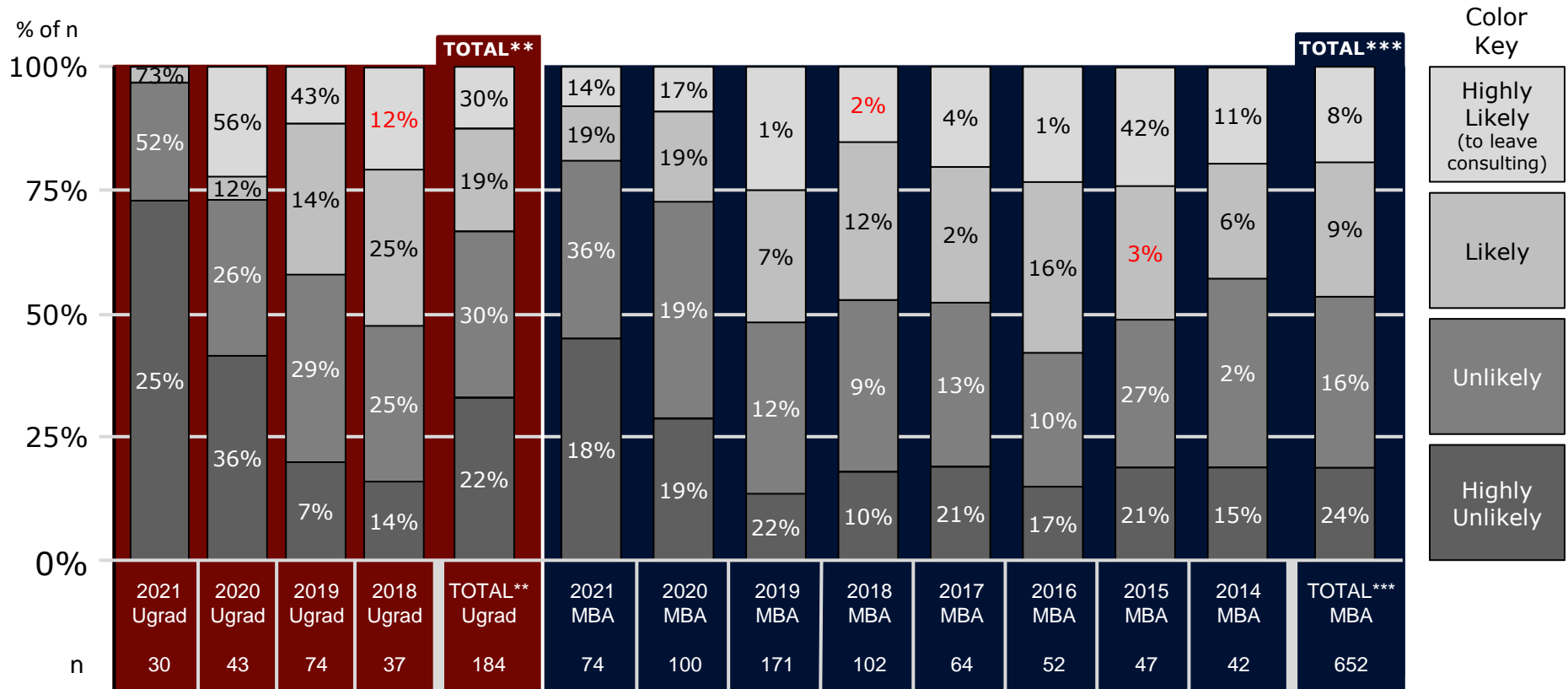


Likelihood to Leave Consulting vs. Compensation Expectations*



This chart summarizes two key data points:

- 1) The likelihood of respondents to leave consulting in the next six months, by consulting class (the color of the bars).
- 2) The average percentage change in first-year total compensation* expected by each respondent group (which is the percentage listed in each bar segment – a red percentage indicates the respondent group expects a pay decrease of that amount when leaving consulting).



*Total Compensation includes base salary, target annual bonus, plus any annual long-term incentives such as stock options, restricted stock units, retirement contributions or long-term cash payouts.

**Weighted average of 2018-2021 undergrad data

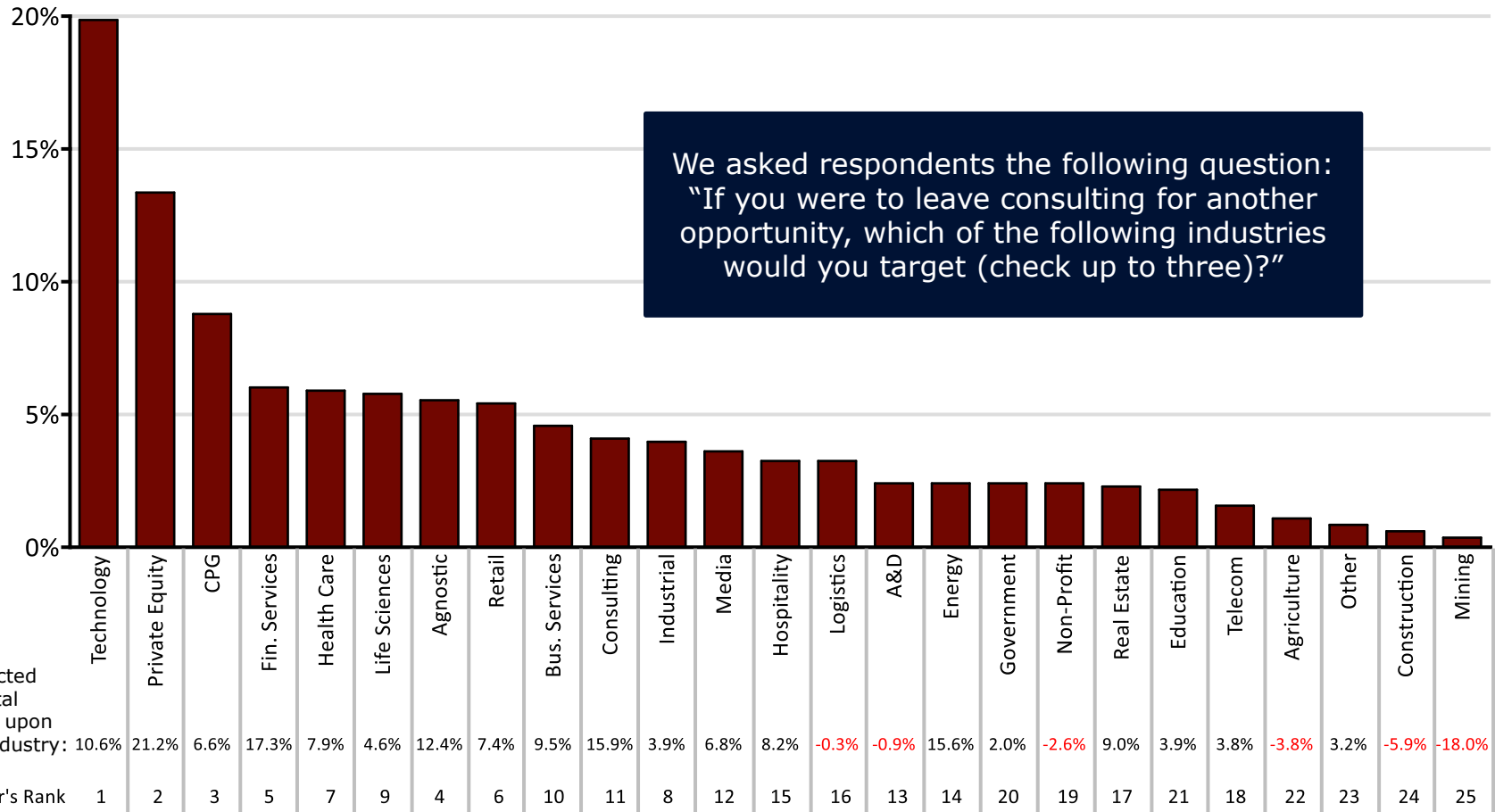
***Weighted average of 2014-2021 MBA data



Industry Preferences Upon Leaving Consulting



% of Respondents that selected each industry



We asked respondents the following question: "If you were to leave consulting for another opportunity, which of the following industries would you target (check up to three)?"

NOTE: 58% of respondents did not check any industries (most likely as they are not actively considering leaving consulting). The 42% of respondents that did check industries checked an average of 2.7. Interestingly, pre-MBAs checked an average of 2.0 industries whereas post-MBAs checked an average of 2.9 industries. This might indicate that pre-MBAs are more focused on and committed to specific industries post-consulting relative to their more senior colleagues.



2021 Sample Industry Offers



A subset of 2021 offers accepted by Charles Aris candidates from Tier 1 Strategy Firms:

Education	Consulting Firm	Accepted Offer*				Offer Title	Company Description
		Base	Bonus	Sign-On	LTI		
MBA 2008	x-Big 3	\$300K	110%	\$650K	\$220k	Chief Strategy Officer	Corporation
MBA 2010	x-Big 3	\$300K	40%		\$1.5M**	Vice President	PE Portfolio
MBA 2011	x-Big 3	\$325K	50%		Carry	Principal	Private Equity
MBA 2011	x-Big 3	\$350K	50%	\$175K	***	Senior Vice President	PE Portfolio
MBA 2015	Big 3	\$300K	40%	\$300K	\$55K	Senior Director	Corporation
MBA 2015	Big 3	\$200K	35%	\$25K	\$2.6M**	Vice President	PE Portfolio
MBA 2015	Big 3	\$280K	40%	\$200K	\$85K	Senior Director	Corporation
MBA 2017	Big 3	\$220K	35%		\$1.2M**	Vice President	PE Portfolio
MBA 2017	Big 3	\$220K	35%	\$10K	\$1.8M**	Vice President	PE Portfolio
MBA 2017	Tier 1	\$230K	25%	\$20K	\$35K	Director	Corporation
MBA 2018	Big 3	\$220K	25%	\$65K	\$500K**	Chief of Staff	PE Portfolio
MBA 2018	Big 3	\$250K	80%			Manager	Asset Management
MBA 2019	Big 3	\$200K	15%	\$10K	***	Senior Manager	Corporation
B.S. 2017	Tier 1	\$120K	100%			Associate	Private Equity
B.S. 2018	Tier 1	\$175K	30%			Associate	Private Equity
B.S. 2019	Big 3	\$150K	90%			Associate	Private Equity
B.S. 2019	Tier 1	\$140K	25%			Director	Corporation

Post MBA

Pre MBA

*Base = Base Salary. Bonus = Annual Target Bonus. Sign-On = Sign-On Bonus. LTI = Annual Long-Term Incentive.

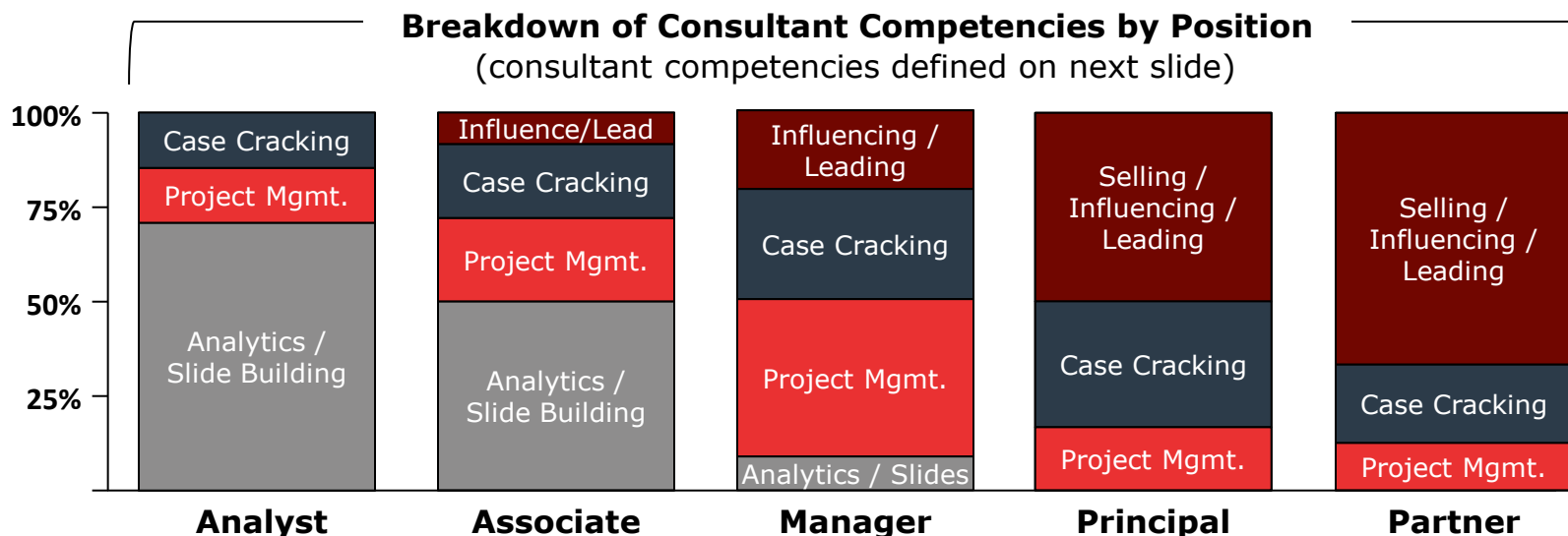
One-time grant with expected value upon sale or IPO of the business. *LTI not defined at time of offer.



Strategy Consultant Competencies

The matrix below defines the expected competencies for consultants at each level for the **2022** recruiting year:

Title at Consulting Firm*	Analyst	Associate	Manager	Principal	Partner
Years of Experience	1-3 years Pre-MBA	1-2 years Post-MBA	3-4 years Post-MBA	5-7 years Post-MBA	8+ years Post-MBA
Typical Graduation Year	2019-2021 undergraduate degree	2020-2021 MBA	2018-2019 MBA	2015-2017 MBA	2014 and earlier MBA



*Titles differ significantly by firm. These are meant to serve as generic titles which work across all firms.



Consultant Competency Definitions

Senior-Level
Competencies

**Selling /
Influencing /
Leading**

- ◆ Generate revenue by selling consulting services.
- ◆ Establish vision, frame key issues and set high-level strategy.
- ◆ Influence key executives and stakeholders to support significant change.

Case Cracking

- ◆ Understand the problem at a more granular level and establish a hypothesis-driven approach through which a solution can be derived.
- ◆ Effectively solve the problem.
- ◆ Write the storyline.

**Project
Management**

- ◆ Understand strategic direction as set by the hypothesis-driven approach, set milestones, scope analyses, assign resources, manage execution and report findings.
- ◆ Serve as quality control lead.

**Analytics /
Slide Building**

- ◆ Conduct quantitative analyses in a defect-free manner. Possess mastery of Microsoft Excel and other analytical tools.
- ◆ Leverage Microsoft PowerPoint and other presentation tools to create impactful, concise and defect-free slide loops.

Junior-Level
Competencies



2022 Offer Ranges by MBA Year



Our **corporate*** offer forecast for 2022, by MBA experience level, based on consulting compensation in 2021 and the current level of demand for talent relative to supply constraints.

2020 MBA	25 th	50 th	75 th
Title	Sr Manager	Sr Manager	Director
Base Salary	\$170,000	\$180,000	\$190,000
Annual Bonus	15%	20%	25%
Annual Equity	\$0	\$0	\$20,000
Total	\$195,500	\$216,000	\$257,500

2017 MBA	25 th	50 th	75 th
Title	Director	Sr Director	VP
Base Salary	\$215,000	\$230,000	\$245,000
Annual Bonus	25%	30%	35%
Annual Equity	\$40,000	\$50,000	\$60,000
Total	\$308,750	\$349,000	\$390,750

2019 MBA	25 th	50 th	75 th
Title	Sr Manager	Director	Director
Base Salary	\$180,000	\$200,000	\$220,000
Annual Bonus	20%	25%	30%
Annual Equity	\$0	\$20,000	\$40,000
Total	\$216,000	\$270,000	\$326,000

2016 MBA	25 th	50 th	75 th
Title	Sr Director	Sr Director	VP
Base Salary	\$230,000	\$240,000	\$250,000
Annual Bonus	30%	35%	40%
Annual Equity	\$60,000	\$80,000	\$100,000
Total	\$359,000	\$404,000	\$450,000

2018 MBA	25 th	50 th	75 th
Title	Director	Director	Sr Director
Base Salary	\$200,000	\$220,000	\$240,000
Annual Bonus	20%	25%	30%
Annual Equity	\$20,000	\$35,000	\$50,000
Total	\$260,000	\$310,000	\$362,000

2015 MBA	25 th	50 th	75 th
Title	VP	VP	VP
Base Salary	\$240,000	\$250,000	\$260,000
Annual Bonus	30%	40%	50%
Annual Equity	\$75,000	\$100,000	\$125,000
Total	\$387,000	\$450,000	\$515,000

*This data reflects offers for corporations. Private Equity offers could be 25-50% higher, if not more.



2022 Offer Ranges by Undergraduate Year



Our **corporate*** offer forecast for 2022, by undergraduate experience level, based on consulting compensation in 2021 and the current level of demand for talent relative to supply constraints.

2020 Pre-MBA	25 th	50 th	75 th
Title	Associate	Associate	Manager
Base Salary	\$110,000	\$125,000	\$140,000
Annual Bonus	10%	15%	20%
Annual Equity	\$0	\$0	\$0
Total	\$121,000	\$143,750	\$168,000

2019 Pre-MBA	25 th	50 th	75 th
Title	Associate	Manager	Sr. Manager
Base Salary	\$130,000	\$150,000	\$170,000
Annual Bonus	10%	15%	20%
Annual Equity	\$0	\$0	\$0
Total	\$143,000	\$172,500	\$204,000

2018 Pre-MBA**	25 th	50 th	75 th
Title	Sr. Manager	Sr. Manager	Director
Base Salary	\$170,000	\$180,000	\$190,000
Annual Bonus	15%	20%	25%
Annual Equity	\$0	\$0	\$20,000
Total	\$195,500	\$216,000	\$257,500

*This data reflects offers for corporations. Private Equity offers could be 25-50% higher, if not more.

**The majority of 2018 pre-MBA consultants who remain in consulting have been promoted to post-MBA roles, and thus, their compensation requirements are similar to 2020 MBAs.



- ◆ Charles Aris Inc. is an international executive search firm founded in 1969. Our Strategy & Corporate Development practice was established by CEO Chad Oakley, a former Bain & Company consultant with an MBA degree from Wharton.
- ◆ Since its inception in 2003, our Strategy & Corporate Development practice has successfully completed more than **1,050 searches**, at multiple levels, including Chief Strategy Officer, Vice President, Director, Manager and Analyst.
- ◆ The Charles Aris client base falls into three primary categories: the Strategy & Corporate Development teams of industry-leading corporations; the investment and portfolio management teams of leading private equity and asset management firms; and professional services firms including consultancies and the like.
- ◆ The candidates whom we place typically work, or have worked for, top-tier strategy consulting firms or investment banks and possess undergraduate and graduate degrees from the world's leading academic institutions.
- ◆ For more information, please contact any of our team members as shown on the next page or visit CharlesAris.com.



Our Strategy & Corporate Development Leadership Team



Chad Oakley
Chief Executive Officer
Strategy
Diversified
336-217-9101

chad.oakley@charlesaris.com



Caroline Wilson
Vice President
Strategy
PE & Asset Management
336-217-9120

caroline.wilson@charlesaris.com



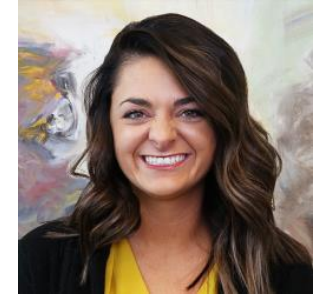
Steven Stewart
Vice President
Strategy
TMT & Industrials
336-217-9114

steven.stewart@charlesaris.com



Jill Jitima
Vice President
Strategy
Consumer & Retail
336-217-9115

jillian.jitima@charlesaris.com



Ashlee Wagner
Vice President
Strategy
Financial Services
336-217-9142

ashlee.wagner@charlesaris.com



Jody Bischoff
Vice President
Strategy
Healthcare & Life Sciences
336-217-9104

jody.bischoff@charlesaris.com



TJ Deal
Senior Practice Leader
Corporate Development
Business & Consumer Services
336-217-9154

tj.deal@charlesaris.com



Diane DeRosa-Fedor
Practice Leader
Corporate Development
Transportation & Logistics
336-217-9198

diane.fedor@charlesaris.com



Josh Kotelnicki
Senior Associate Practice Leader
Corporate Development
Healthcare & Life Sciences
336-217-9159

josh.kotelnicki@charlesaris.com

To learn more, contact any of our team members or visit CharlesAris.com.



Recently completed searches



Strategy & Corporate Development

Title	Salary + Bonus*
Chief Strategy Officer	\$736,500
SVP, Corporate Development	\$722,500
Operating Director, Portfolio Operations	\$712,500
Chief Corporate Development Officer	\$700,000
Head of Strategy & M&A	\$630,000
Head of Strategic Projects	\$550,000
Vice President, Corporate Strategy	\$525,000
Chief Transformation Officer	\$525,000
Private Equity Operations Principal	\$487,500
Vice President, Strategy	\$412,500
Vice President, Integration	\$412,000
Senior Director, Business Growth	\$392,000
Chief of Staff to CEO	\$378,000
Vice President, Corporate Development	\$338,000
Senior Director, Digital Strategy	\$325,000
Vice President & Chief of Staff	\$294,000
Private Equity Associate	\$280,500
Director, Strategy & Corp Dev	\$280,000
Private Equity Technology Associate	\$265,000
Director, Corporate Ventures	\$256,500

Engineering, Operations & Supply Chain

Title	Salary + Bonus*
Senior Vice President – Supply Chain	\$450,000
Chief Operating Officer	\$450,000
Vice President of Quality	\$427,500
Executive Vice President of Sourcing	\$420,000
Integrated Supply Chain Director	\$351,000
Director of Operations	\$337,500
VP / GM IIOT Solutions	\$325,000
Chief Operating Officer	\$325,000
VP of Performance Excellence	\$325,000
VP of Manufacturing	\$297,000
Director of Product Development	\$268,750
Senior Engineering Manager	\$264,500
Chief Operating Officer	\$260,000
Director of Quality	\$240,000
Corporate VP, Engineering, R&D, Innov.	\$240,000
Senior Director of Distribution	\$228,125
Chief Operating Officer	\$210,000
Plant Manager	\$200,000
Director of Supply Chain	\$193,750
Test Engineer	\$150,000

Recently completed searches



Executive Leadership

Title	Salary + Bonus*
CEO – Hospitality	\$1,000,000
CEO – Home Furnishings	\$900,000
CEO – Industrial Manufacturer	\$800,000
CEO – Steel Manufacturer	\$800,000
SVP, Feed Division	\$735,000
CEO – Food Manufacturing	\$600,000
CEO – Retail	\$525,000
President, Education Solutions	\$465,000
Divisional President – Textiles	\$455,000
President, Health Care Services	\$450,000
CEO – Food & Beverage	\$412,500
President / Managing Director – Ag.	\$412,500
CEO – Building Systems	\$390,000
CEO – Building Materials	\$375,000
CEO – Injection Molding	\$375,000
General Mgr. – Consumer Electronics	\$350,000
General Manager	\$315,000
CEO – Oil & Energy	\$310,500
General Manager – Consumer Goods	\$299,000
General Manager – Industrials	\$253,125

Finance & Accounting

Title	Salary + Bonus*
CFO – Real Estate	\$900,000
Corporate Controller Real Estate	\$425,000
CFO – Consumer Services Provider	\$420,000
CFO – Specialty Insurance Provider	\$412,000
CFO – Electrical Manufacturer	\$375,000
VP FP&A – SaaS Provider	\$375,000
VP, Finance – SaaS	\$325,000
VP, Financial Controller – Media	\$325,000
CFO – Electronics Distributor	\$275,000
CFO – Private Equity Firm	\$268,750
VP Accounting – Real Estate	\$255,000
CFO – Manufacturer	\$250,000
CFO – Manufacturer	\$250,000
CFO – Industrial Services	\$234,000
Director, Finance – Building Materials	\$234,000
Director, FP&A – Consumer	\$216,000
Director, FP&A – Distribution	\$215,000
Sr. Dir., Head of Finance – Manufacturer	\$192,000
Controller – HVAC	\$165,000
Manager, FP&A – Building Materials	\$143,000

*Does not include equity or other forms of compensation

Recently completed searches



Human Capital

Title	Salary + Bonus*
SVP, Human Resources	\$371,000
Vice President, Human Resources	\$325,000
Vice President, Human Resources	\$316,250
Vice President, Human Resources	\$290,250
Vice President, Human Resources	\$266,500
Senior Director, Talent Acquisition	\$262,500
Chief People Officer	\$260,000
Vice President of Employee Experience	\$250,000
Vice President, Human Resources	\$245,000
Sr. Director, Talent Acquisition Strategy	\$234,000
Vice President, Human Resources	\$222,000
Chief People Officer	\$221,400
Associate, Leadership Advisory	\$210,000
Director, HR Strategy	\$200,000
Vice President of Human Resources	\$174,000
Vice President of Human Resources	\$166,750
Vice President & Chief People Officer	\$162,000
Director of Human Resources	\$144,000
Regional Human Resources Manager	\$143,750
Director, Employee Experience	\$143,000

Sales & Marketing

Title	Salary + Bonus*
Chief Marketing Officer	\$824,000
Chief Revenue Officer	\$490,000
President	\$412,500
Director of Marketing	\$393,750
Vice President of Marketing	\$322,000
General Manager	\$315,000
Chief Marketing Officer	\$300,000
Vice President of Sales	\$300,000
Vice President of Business Development	\$292,500
President	\$286,000
Vice President of Sales & Marketing	\$273,000
VP, Inside Sales & Customer Experience	\$245,000
Vice President of Sales Operations	\$245,000
Chief Development Officer	\$234,000
Territory Vice President	\$224,000
Senior Product Manager	\$222,000
Sales Manager	\$210,000
Director of Marketing	\$210,000
Director of Inside Sales	\$202,000
Director of Sales	\$196,000