



**CHARLES**  
**ARIS**<sup>TM</sup>

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# 2021 Former Strategy Consultant Compensation Study

March 26, 2021

## *Thank you*

- ◆ Charles Aris is proud to present our third annual **Former Strategy Consultant Compensation Study**, and we extend our heartfelt thanks to the 2,280 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.
- ◆ This year, 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 an impact on the following three charities:

**St. Jude Children's Research Hospital**

**Direct Relief**

**National Diversity Council**



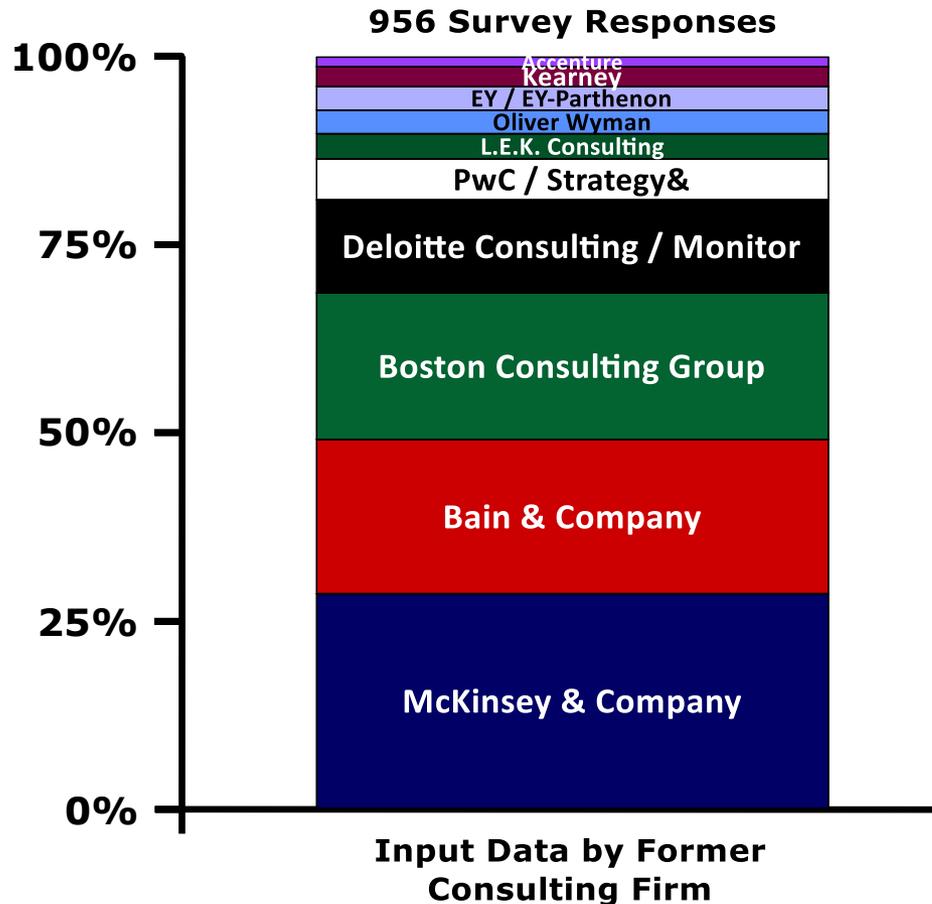
# Key Facts on the Compensation Data Used for this Study



- ◆ All compensation data points for this study were collected via a voluntary and anonymous survey between August 30 and December 31, 2020. The survey tool, SoGoSurvey, restricts Charles Aris from seeing any identifying markers about anyone who completed 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.
- ◆ 2,280 individuals – 1,192 of whom are former consultants – completed our survey. Of the remaining 1,088 respondents, 1,052 are current consultants, and 36 have never worked in consulting. For the purposes of this study, only data from former consultants was used. **If you are also interested in our 2021 Strategy Consultant Compensation Study, which focuses on compensation for *current* consultants and was released in January of this year, please click [HERE](#).**
- ◆ We eliminated 93 of the 1,192 responses from former consultants, leaving us with 1,099 total responses available for this report. Responses were eliminated for a myriad of reasons, the most common of which was an incomplete or vague response. Of the available 1,099 remaining data points, we were able to use 956, as 143 were spread too thin across undergraduate, MBA or other graduate degree graduation dates, and therefore would not be statistically significant.
- ◆ 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 Former Consulting Firm



- ◆ Our 2021 Former Strategy Consultant Compensation Study is driven by **956** survey respondents who previously worked at one of ten top-tier consulting firms.
- ◆ 68.41% of the responses come from consultants that have previously worked at the “Big Three” firms: Bain & Company, The Boston Consulting Group and McKinsey & Company.
- ◆ Of the 956 total responses, 855 come from former post-MBA consultants and 101 come from former pre-MBA consultants.

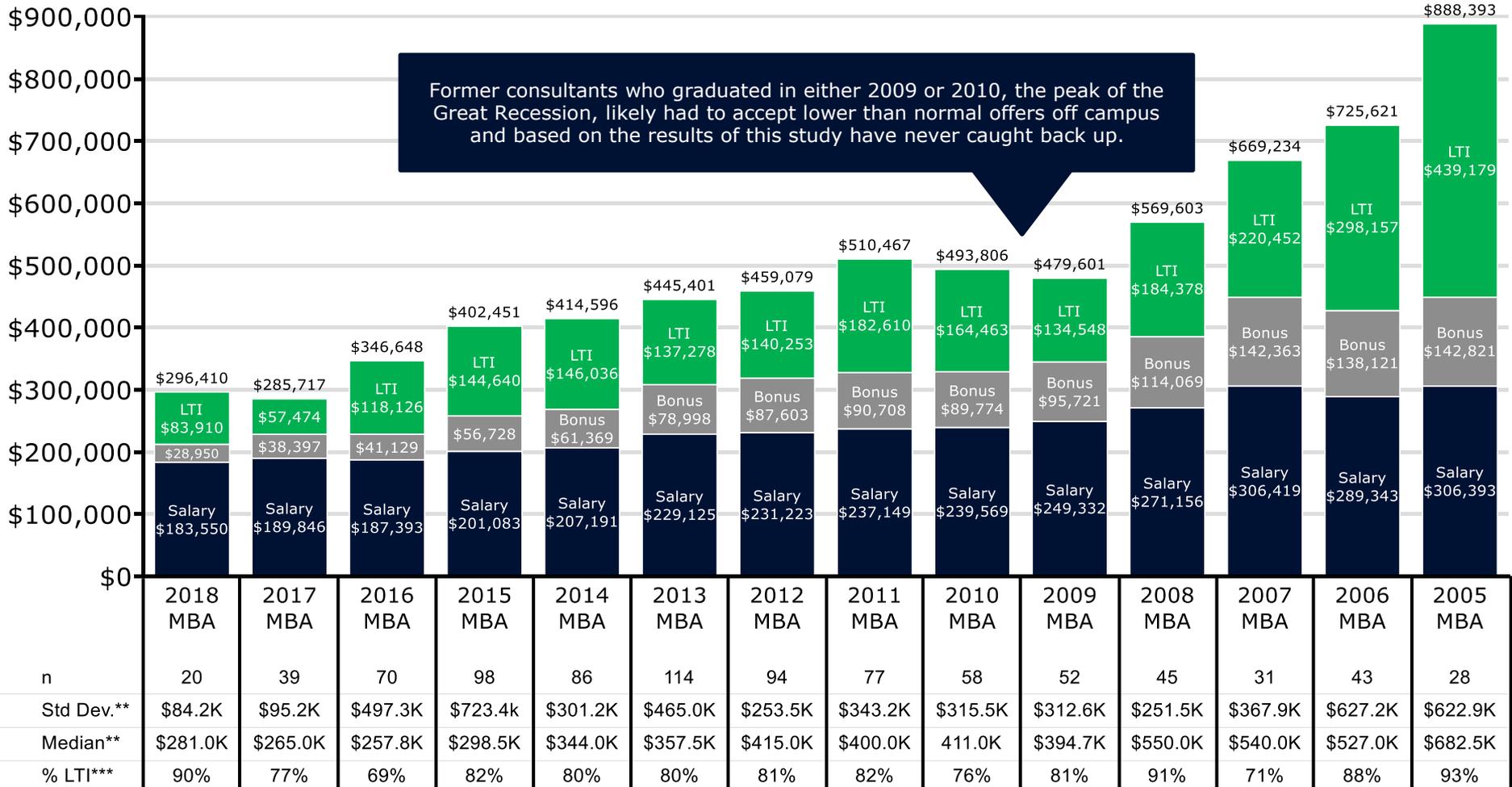


# Average Compensation\* by MBA Graduation Year



This slide aggregates all former consultant compensation data by **MBA** graduation year.

Former consultants who graduated in either 2009 or 2010, the peak of the Great Recession, likely had to accept lower than normal offers off campus and based on the results of this study have never caught back up.



\*Compensation is the combination of base salary, target annual bonus and annual long-term incentive (LTI).

\*\*Compensation does NOT include retirement contribution, sign-on, car allowance or other such cash equivalents.

\*\*\*Standard Deviation and Median numbers are calculated for base + bonus + LTI, i.e. the number at the top of each column.

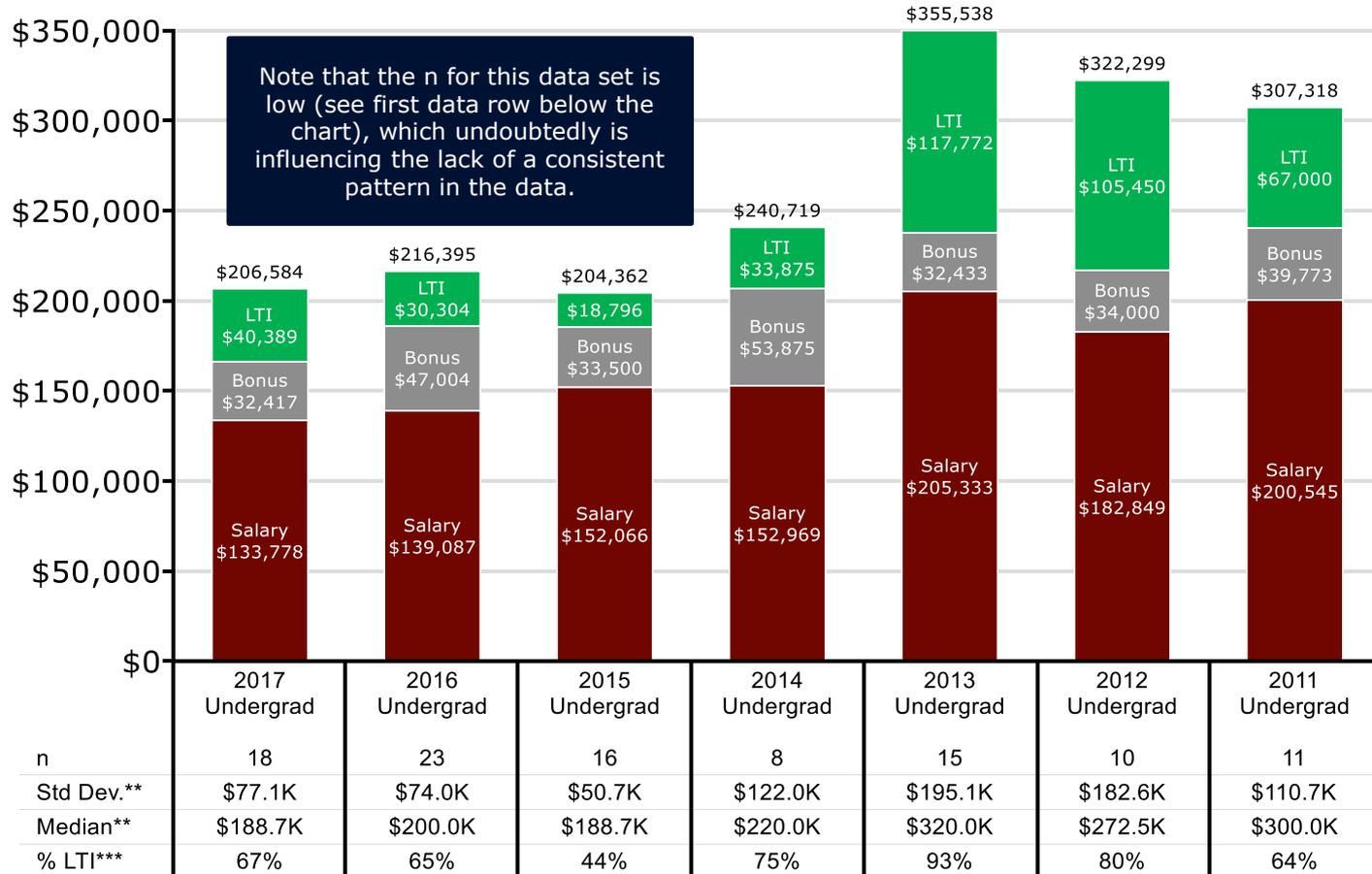
\*\*\*\*% LTI equals the percentage of respondents who participate in some form of a long-term incentive program (i.e. stock options, restricted stock units, profit sharing, carry in a fund, deferred cash (but NOT including a 401K match), etc.).



# Average Compensation\* by Undergrad Graduation Year



This slide aggregates all former consultant compensation data by **Pre-MBA / Undergraduate** graduation year (i.e. the highest education for these respondents is an undergraduate degree).



\*Compensation is the combination of base salary, target annual bonus and annual long-term incentive (LTI).

\*\*Compensation does NOT include retirement contribution, sign-on, car allowance or other such cash equivalents.

\*\*\*Standard Deviation and Median numbers are calculated for base + bonus + LTI, i.e. the number at the top of each column.

\*\*\*\*% LTI equals the percentage of respondents who participate in some form of a long-term incentive program (i.e. stock options, restricted stock units, profit sharing, carry in a fund, deferred cash (but NOT including a 401K match), etc.).

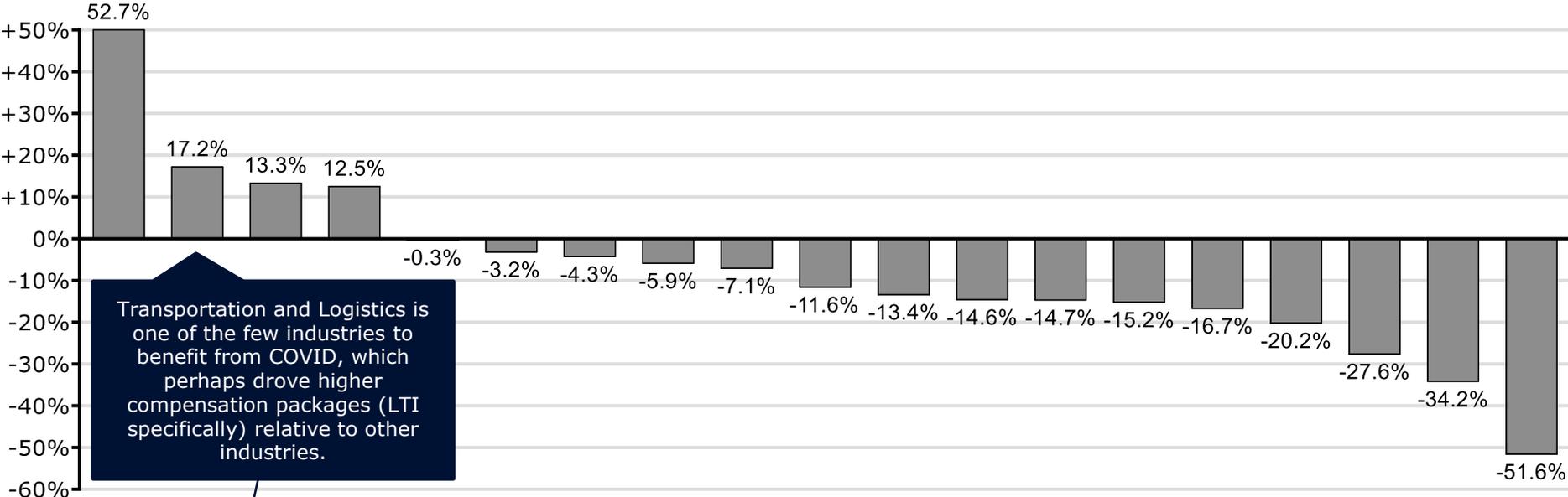


# Compensation\* by Industry



The average compensation of all former consultants, normalized for graduation year, is represented by zero percent in the chart below. Each bar represents how respondents working in that **industry** are paid relative to all other respondents.

EXAMPLE: Respondents who designated themselves as working in Construction earned an average of 20.2% less than their peers who designated as working in other industries, regardless of graduation year. Not surprisingly, candidates from PE, Public Equity, VC or Hedge Funds earn the most relative to their peers, and candidates from Nonprofit earn the least.



Transportation and Logistics is one of the few industries to benefit from COVID, which perhaps drove higher compensation packages (LTI specifically) relative to other industries.

	PE/Public Equity/VC/Hedge Fund	Transportation & Logistics	Tech	Aerospace/Defense	Retail	Health Care (Payers, Providers and Health Services)	Media	Real Estate	Life Sciences (Pharma, Med Devices, Biotech)	Consumer Goods and Durables	Hospitality & Travel	Industrial Products	Telecom	Financial Services	Energy & Pub Utilities	Construction	Bus/Pro Services	Education	Non-Profit
n	62	13	296	12	59	70	15	17	55	83	22	40	8	101	11	7	30	18	7
Base v. Avg <sup>^</sup>	7.6%	-4.1%	-1.1%	-7.6%	4.2%	0.1%	11.4%	11.5%	6.2%	-0.3%	-1.4%	3.6%	-5.5%	-2.1%	-5.8%	-1.3%	-3.7%	-11.1%	-10.1%
Bonus v. Avg <sup>^</sup>	126.1%	-3.5%	-24.2%	-12.1%	3.3%	-8.7%	5.1%	70.7%	-1.7%	-5.7%	2.3%	13.2%	3.6%	20.0%	-27.3%	-36.4%	-19.6%	-18.9%	-78.1%
LTI v. Avg <sup>^</sup>	71.7%	63.6%	55.2%	48.5%	-11.5%	-10.7%	-45.6%	-67.4%	-29.3%	-19.0%	-39.3%	-54.7%	-41.5%	-52.3%	-12.7%	-48.5%	-70.3%	-80.3%	-100.0%

\*Compensation is the combination of base salary, target bonus and annual long-term incentive (LTI), and does NOT include retirement contribution, sign-on, car allowance or other such cash equivalents.

<sup>^</sup> Base, Bonus and LTI "v Avg" represents the % above or below the average that employees in the industry are compensated. For instance, on average, former consultants that work in the Construction industry earn 1.3% less in base salary, 36.4% less in annual bonus, and 48.5% less in annual LTI (totaling to 20.2% less overall) relative to their peers in other industries.

NOTE: Industries with less than seven data points were not included in this chart.

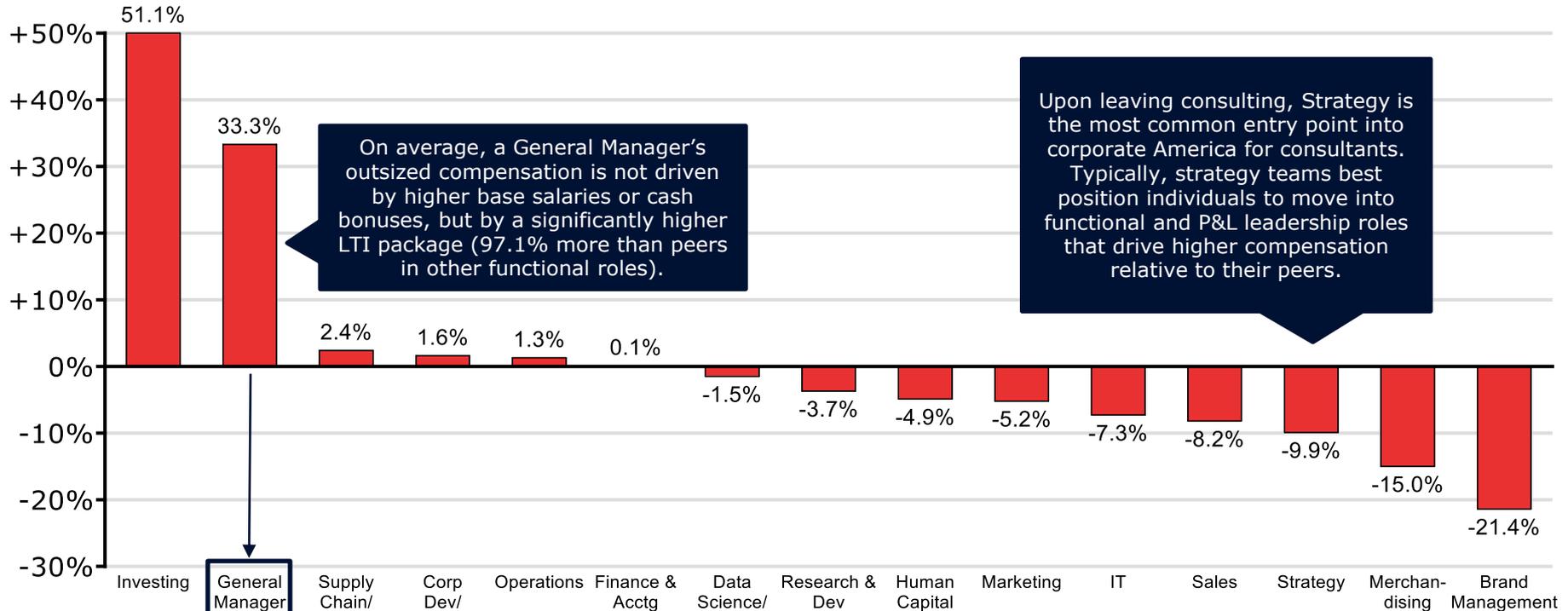


# Compensation\* by Function



The average compensation of all former consultants, normalized for graduation year, is represented by zero percent in the chart below. Each bar represents how respondents working in that **function** are paid relative to all other respondents.

*EXAMPLE:* Respondents that designated themselves as working in Research & Development earned an average of 3.7% less than their peers that designated as working in other functions, regardless of graduation year.



On average, a General Manager's outsized compensation is not driven by higher base salaries or cash bonuses, but by a significantly higher LTI package (97.1% more than peers in other functional roles).

Upon leaving consulting, Strategy is the most common entry point into corporate America for consultants. Typically, strategy teams best position individuals to move into functional and P&L leadership roles that drive higher compensation relative to their peers.

n	Investing	General Manager (P&L Owner)	Supply Chain/Procurement	Corp Dev/M&A	Operations	Finance & Acctg	Data Science/Analytics	Research & Dev	Human Capital	Marketing	IT	Sales	Strategy	Merchandising	Brand Management
n	48	164	26	149	209	65	99	22	26	87	25	78	592	12	19
Base v. Avg ^	7.5%	2.2%	5.3%	3.5%	0.2%	4.7%	1.5%	-1.7%	-3.0%	-3.8%	7.8%	-5.4%	-0.9%	3.8%	-0.6%
Bonus v. Avg ^	114.0%	-0.3%	-15.6%	-0.6%	5.0%	-0.6%	-16.0%	-34.7%	-17.6%	-10.7%	-21.0%	0.4%	-8.0%	-17.4%	5.0%
LTI v. Avg ^	81.2%	97.1%	30.2%	2.6%	4.4%	-2.2%	6.1%	20.8%	-1.6%	-5.8%	-32.5%	-13.9%	-23.7%	-46.2%	-63.1%

\*Compensation is the combination of base salary, target bonus and annual long-term incentive (LTI), and does NOT include retirement contribution, sign-on, car allowance or other such cash equivalents.

^ Base, Bonus and LTI "v Avg" represents the % above or below the average that employees in the function are compensated. For instance, on average, former consultants that work in Research & Development earn 1.7% less in base salary, 34.7% less in annual bonus, and 20.8% more in annual LTI (totaling to 3.7% less overall) relative to their peers in other functions.

NOTE: Functions with less than seven data points were not included in this chart.

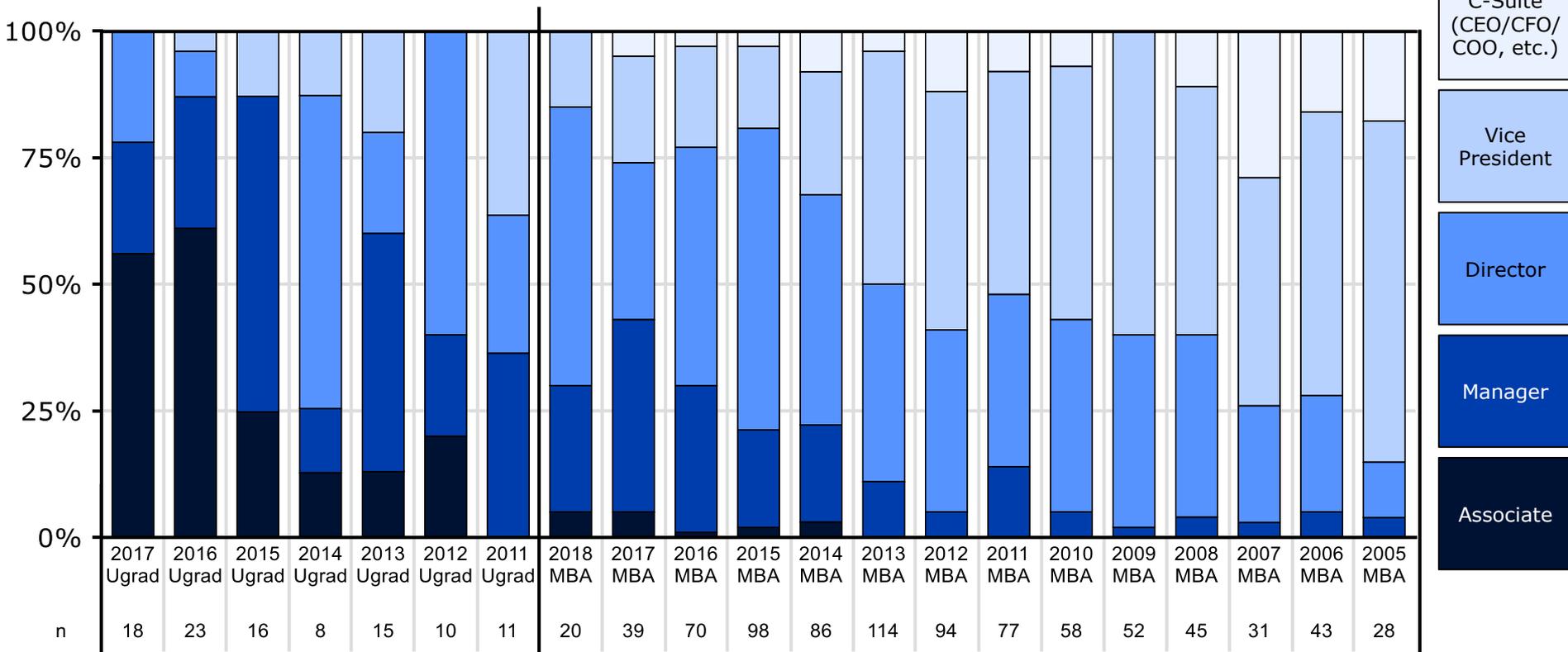


# Title\* by Graduation Year



*This slide summarizes the breakdown of titles by graduation year. It's worth noting that titles vary company to company. Industry, size of company, company ownership, etc. will affect any given title at any given company.*

Color Key\*



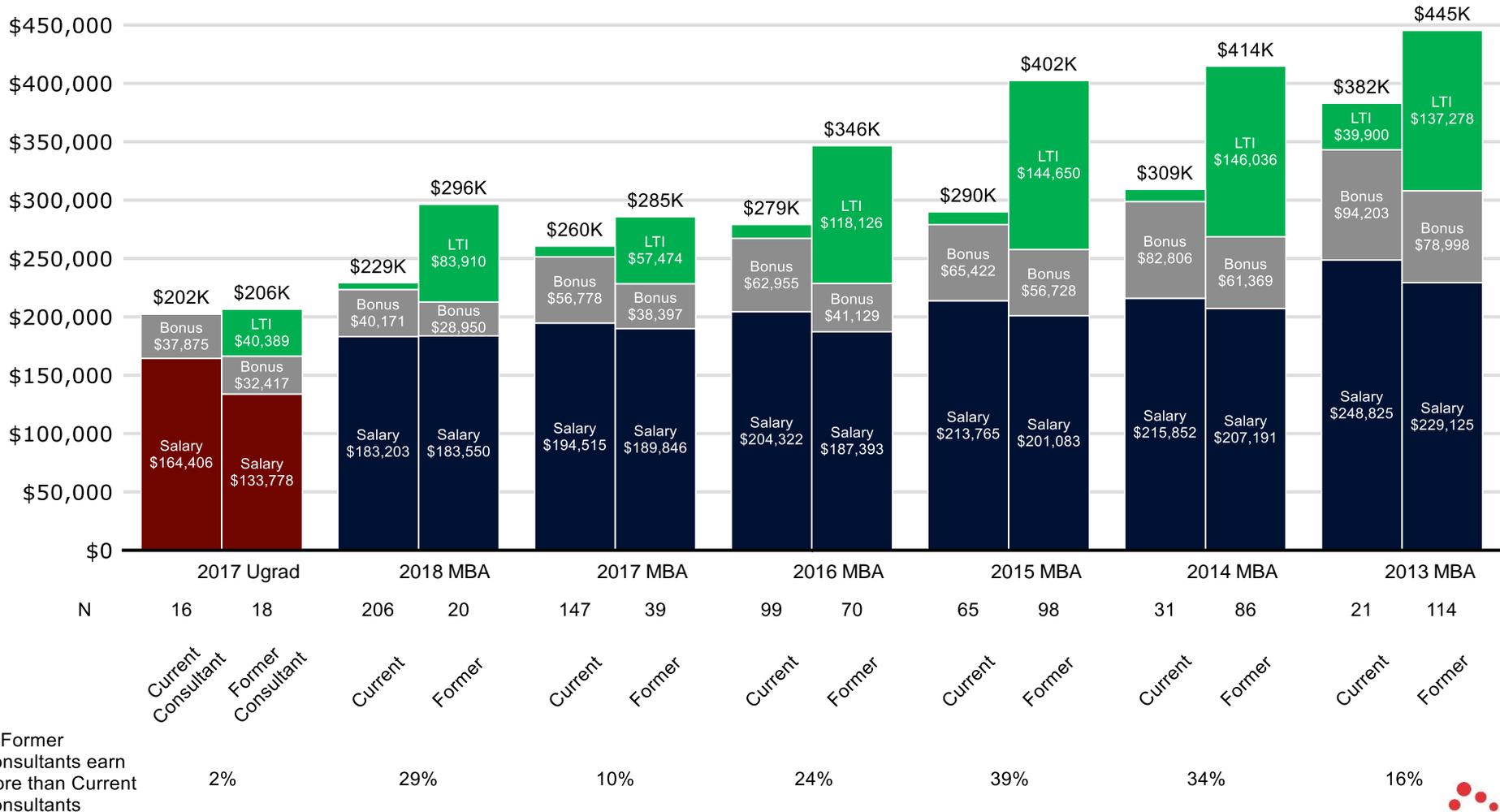
\*Titles were selected via drop-down box versus open field. This data was self-reported by respondents and are not verified through any other means.



# Current vs. Former Consultant Compensation\*



*This slide compares the average annual compensation\* that current consultants earn relative to former consultants. In every instance, current consultants earn more cash than former consultants; however, former consultants earn more in total when long-term incentives such as equity are included.*



\*Compensation is the combination of base salary, target annual bonus and annual long-term incentive (LTI).  
 \*Compensation does NOT include retirement contribution, sign-on, car allowance or other such cash equivalents.



# 2020 Former Consultant Sample Industry Offers



A subset of 2020 offers accepted by Charles Aris candidates who were former Tier 1 Strategy Consultants:

Education	Consulting Firm	Accepted Offer*				Offer Title	Company Description
		Base	Bonus	Sign-On	LTI		
MBA 1998	x-Tier 1	\$400K	50%		***	Chief Strategy Officer	Corporation
MBA 2003	x-Tier 1	\$400K	50%		Carry	Vice President	Private Equity Firm
MBA 2005	x-Big 3	\$300K	100%		Carry	Director	Private Equity Firm
MBA 2006	x-Big 3	\$300K	40%		\$200K	Vice President	PE Portfolio
MBA 2008	x-Big 3	\$325K	30%	\$400K^	\$170K	Executive Director	Corporation
MBA 2009	x-Tier 1	\$250K	30%		\$200K	Vice President	PE Portfolio
MBA 2009	x-Big 3	\$320K	38%	\$50K	\$70K	Vice President	Corporation
MBA 2010	x-Big 3	\$300K	50%		Carry	Principal	Private Equity Firm
MBA 2013	x-Big 3	\$345K	35%	\$200K	\$100K	Director	Corporation
MBA 2013	x-Big 3	\$260K	15%	\$230K	\$90K	Vice President	Corporation
MBA 2013	x-Big 3	\$250K	30%	\$50K	\$100K	Senior Director	Corporation
MBA 2015	x-Tier 1	\$230K	78%		Carry	Director	Private Equity Firm
MBA 2015	x-Tier 1	\$225K	40%	\$50K		Managing Director	Corporation
MBA 2015	x-Tier 1	\$200K	30%			Director	Non-Profit
B.S. 2011	x-Big 3	\$175K	25%		\$50K	Director	PE Portfolio
B.S. 2013	x-Big 3	\$210K	20%	\$10K		Chief of Staff	Corporation

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

\*\* = One Time LTI Grant. \*\*\* LTI not defined at time of offer. ^ Mix of Cash and Equity



- ◆ Charles Aris Inc. is an international executive search firm founded in 1969. Our Strategy & Corporate Development practice is led 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 **900 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](https://www.CharlesAris.com).



# Our Strategy & Corporate Development Leadership Team



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

[chad.oakley@charlesaris.com](mailto:chad.oakley@charlesaris.com)



**Caroline Wilson**  
Vice President  
PE | Asset Management  
336-217-9120

[caroline.wilson@charlesaris.com](mailto:caroline.wilson@charlesaris.com)



**Steven Stewart**  
Vice President  
Industrials | TMT  
336-217-9114

[steven.stewart@charlesaris.com](mailto:steven.stewart@charlesaris.com)



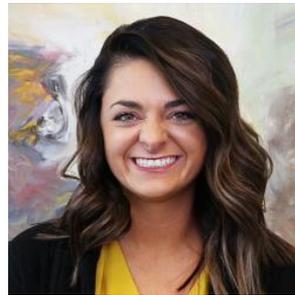
**Jill Jitima**  
Vice President  
Consumer | Retail  
336-217-9115

[jillian.jitima@charlesaris.com](mailto:jillian.jitima@charlesaris.com)



**Jody Karavanic Bischoff**  
Vice President  
Healthcare | Life Sciences  
336-217-9104

[jody.bischoff@charlesaris.com](mailto:jody.bischoff@charlesaris.com)



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

[ashlee.wagner@charlesaris.com](mailto:ashlee.wagner@charlesaris.com)



**T.J. Deal**  
Practice Leader  
Corp Dev | Private Equity  
336-217-9154

[tj.deal@charlesaris.com](mailto:tj.deal@charlesaris.com)

To learn more, contact any of our team members or visit [CharlesAris.com](http://CharlesAris.com).



# Recently completed searches



## Strategy & Corporate Development

Title	Salary + Bonus
SVP, Corporate Development	\$722,500
Operating Director, Portfolio Operations	\$712,500
Chief Corporate Development Officer	\$700,000
Head of Strategic Projects	\$550,000
Private Equity Vice President	\$485,000
Chief Strategy Officer	\$481,000
Vice President, Strategy	\$450,000
Vice President, Integration	\$412,000
Vice President, International Strategy	\$385,000
Chief of Staff to CEO	\$378,000
Vice President, Strategy	\$350,000
Vice President, M&A	\$337,000
Vice President, Corporate Development	\$312,000
Senior Director, Corporate Strategy	\$297,000
Vice President & Chief of Staff	\$294,000
Private Equity Associate	\$265,000
Director, Transformation	\$247,000
Portfolio Operations Associate	\$235,000
Senior Manager, Business Operations	\$206,250
Senior Manager, Corporate Strategy	\$204,000

## 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

# Recently completed searches



## Finance & Accounting

Title	Salary + Bonus
CFO – Contract Manufacturing	\$700,000
CFO – Consumer Product Distribution	\$487,500
CFO – Online Education	\$450,000
CFO – Financial Products	\$450,000
CFO – Building Automation	\$420,000
CFO – Consumer Products	\$324,000
VP Commercial Controller	\$322,000
CFO – Manufacturing	\$317,250
VP; Controller – Software	\$315,000
CFO – Manufacturing	\$292,500
Sr. Director, Finance – Food Products	\$280,000
CFO – Managed IT Services	\$262,300
CFO – Manufacturing	\$253,496
Director, Finance – Building Products	\$234,000
Vice President, Finance – Manufacturing	\$208,000
Director, Finance – Medical Devices	\$195,500
VP, Finance – Marketing Services	\$189,600
VP, Admin. Finance – Manufacturing	\$174,000
Director, Finance – Consumer Services	\$170,500
Assistant Controller – SaaS Provider	\$140,000

## Sales & Marketing

Title	Salary + Bonus
EVP / Chief Strategy & Marketing Officer	\$824,000
SVP, Global Sales – Textiles	\$750,000
Chief Product Officer	\$468,000
Vice President, Sales	\$400,000
VP, Marketing	\$378,000
Chief Marketing Officer	\$362,000
EVP, Sales & Marketing	\$317,300
Chief Marketing Officer	\$295,000
Vice President, Sales	\$281,250
Vice President, Sales / Marketing	\$280,000
Chief Marketing Officer	\$275,000
Regional Account Sales Manager	\$250,000
VP, Inside Sales & Customer Experience	\$245,000
VP Sales Operations – Textiles	\$245,000
Director, Sales & Marketing	\$225,000
Territory Vice President	\$224,000
Sr. Product Manager – Chemicals	\$222,000
Director, Global Product Stewardship	\$215,000
Territory Vice President	\$208,000
Director, Inside Sales – Textiles	\$202,500

# Recently completed searches



## Engineering & Operations

Title	Salary + Bonus
Chief Supply Chain Officer – Industrials	\$1,025,000
COO – Home Furnishings	\$450,000
Senior Vice President – Supply Chain	\$450,000
COO – Consumer Electronics	\$427,500
EVP – Sourcing, Supply Chain & Distrib.	\$420,000
Integrated Supply Chain Dir. – Chemicals	\$350,000
VP / GM IIOT Solutions	\$325,000
VP Manufacturing – Industrial Products	\$297,000
VP Quality & Operational Excellence	\$285,000
COO – Industrial Products	\$273,325
Head of Eng. / Product Dev. – MedDev	\$273,000
Senior Engineering Manager	\$264,500
Operations Manager	\$260,000
Chief Operating Officer	\$260,000
Senior Director, R&D	\$256,500
Sr. Director Product Innovation	\$240,000
Corporate VP, Engineering, R&D, Innov.	\$240,000
Director of Quality – MedDev	\$240,000
Director, Plant Operations	\$218,750
COO - Healthcare	\$210,000

## Miscellaneous

Title	Salary + Bonus
General Counsel	\$525,000
Head of Performance Acceleration	\$472,500
Chief Information Office	\$406,000
Vice President, Customer Analytics	\$368,450
Vice President of Pricing – Industrials	\$367,500
VP, Human Resources – Aviation	\$316,250
Director, Procurement – Chemicals	\$286,000
SVP, Risk Management	\$280,000
IT Expert Manager	\$276,000
Director, Communication Improvement	\$258,000
Mgr. Data Science – Industrial Products	\$222,000
HR Site Manager / Director	\$218,750
Director of Corporate Council	\$218,500
Director of Human Resources	\$212,500
CEO Succession Associate	\$210,000
Director, Direct-to-Consumer – BPO	\$201,500
VP, Clinic Operations	\$190,000
Global Distribution Manager	\$187,500
Vice President, Construction	\$179,400
Senior Designer	\$155,250