



CHARLES
ARIS™
50th Anniversary

2019 Former Strategy Consultant Compensation Study

March 29, 2019

Thank you

- ◆ Charles Aris is proud to present its first annual Former Strategy Consultant Compensation Study, and a huge thank you is in order. Historically, we were able to gather the data required for our compensation studies by asking candidates about their current compensation over the course of thousands of career conversations we have each year. However...
- ◆ Given recent [pay equity legislation](#) in portions of the United States and associated territories, we drastically changed our approach to gathering compensation data in 2018. Though pay equity laws currently exist only in a handful of states, we fully embraced the concept across all searches, regardless of location. Now, instead of asking candidates about their current compensation, we only ask about their compensation expectations.
- ◆ And that's where our gratitude comes in. For us to continue producing these studies the data had to come to us voluntarily and anonymously, so we launched our first-ever compensation survey. We send heartfelt thanks to the 1,489 of you who took the time to complete the survey that made these studies possible. We're grateful to have such strong support from the strategy community.



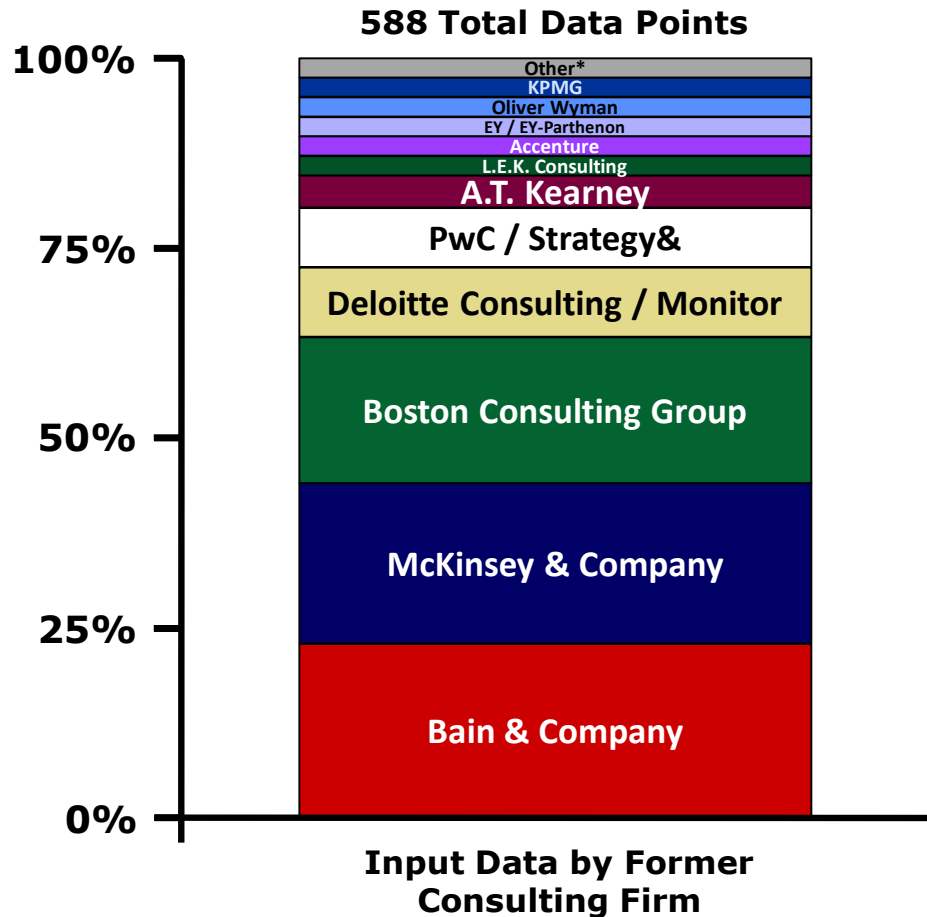
Key Facts on the Compensation Data Used for this Study



- ◆ All compensation data points for this study were collected via a voluntary and anonymous survey between August 31 and December 31, 2018. 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.
- ◆ 1,489 individuals – 753 of whom are former consultants – completed our survey. Of the remaining 736 respondents, 689 are current consultants, and 47 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 2019 Strategy Consultant Compensation Study, which focuses on compensation for *current* consultants and was released in January of this year, please click [HERE](#).**
- ◆ We eliminated 60 of the 753 responses from former consultants, leaving us with 693 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 693 remaining data points, we were able to use 588, as 105 were spread too thin across undergraduate, MBA or other graduate degree graduation dates, and therefore would not be statistically significant.
- ◆ It should be noted that compensation data points are voluntarily and anonymously self-reported by respondents and are not verified through any other means. However, given the anonymity provided to respondents, we feel confident that the data are accurate.



Input Data by Former Consulting Firm



- ◆ Our 2019 Former Strategy Consulting Compensation Study is driven by **588** survey respondents who previously worked at over 15 consulting firms.
- ◆ 63.9% 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 588 total responses, 419 come from former post-MBA consultants and 86 come from former pre-MBA consultants. The remaining 83 come from respondents that worked in consulting both pre-MBA and post-MBA.

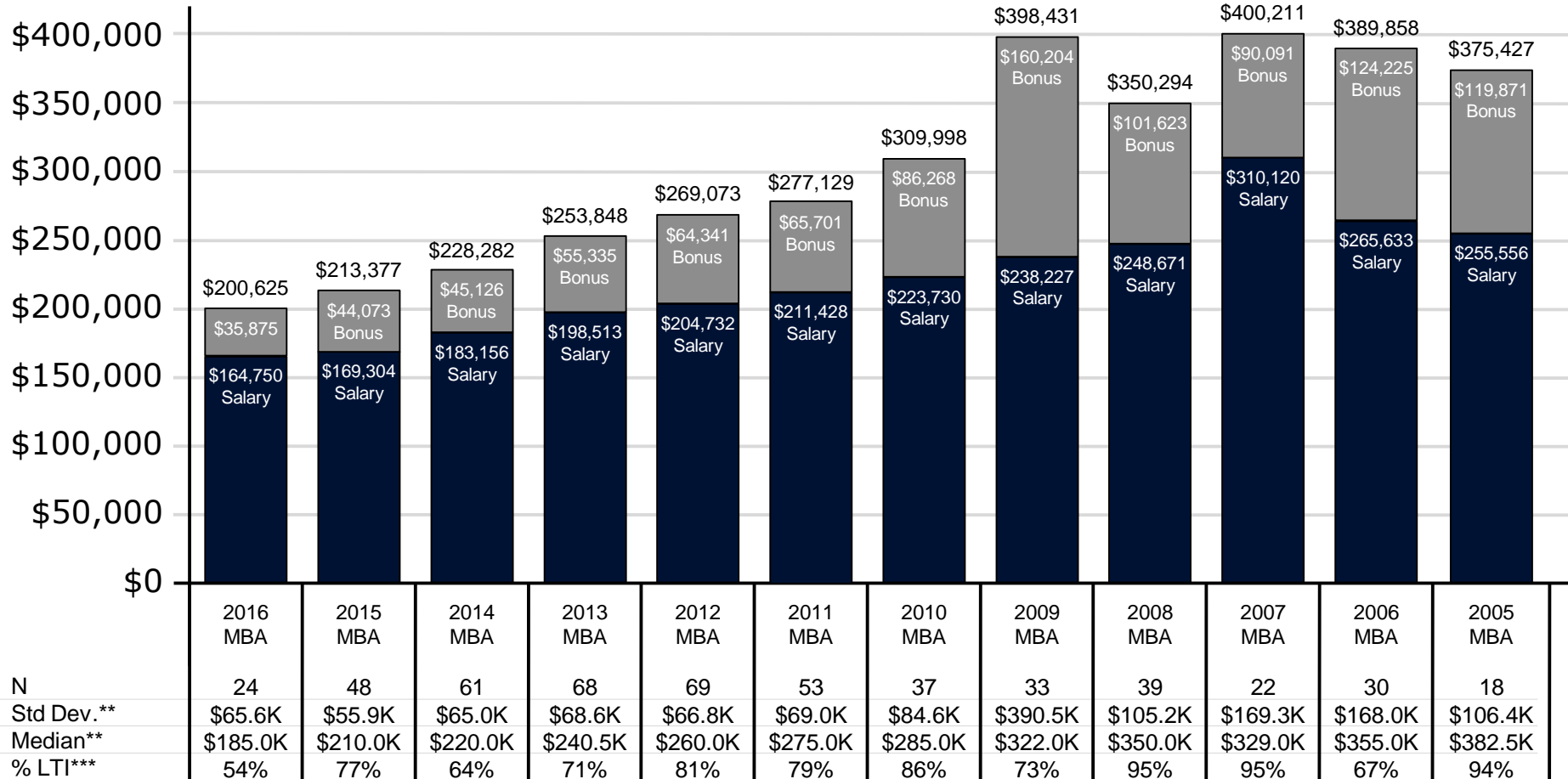
* Other includes firms such as IBM, ZS Associates, AlixPartners and Navigant, among others.



Average Compensation* by MBA Graduation Year



This slide aggregates all former consultant compensation data by **MBA** graduation year. Year-over-year salary and bonus grow steadily for the first six years, and then become less predictable.



*Base salary plus target annual bonus only. Does not include retirement contribution, profit sharing, sign-on, car allowance or other such cash equivalents.

**Standard Deviation and Median numbers are calculated for base salary plus target annual bonus, i.e. the number at the top of each column.

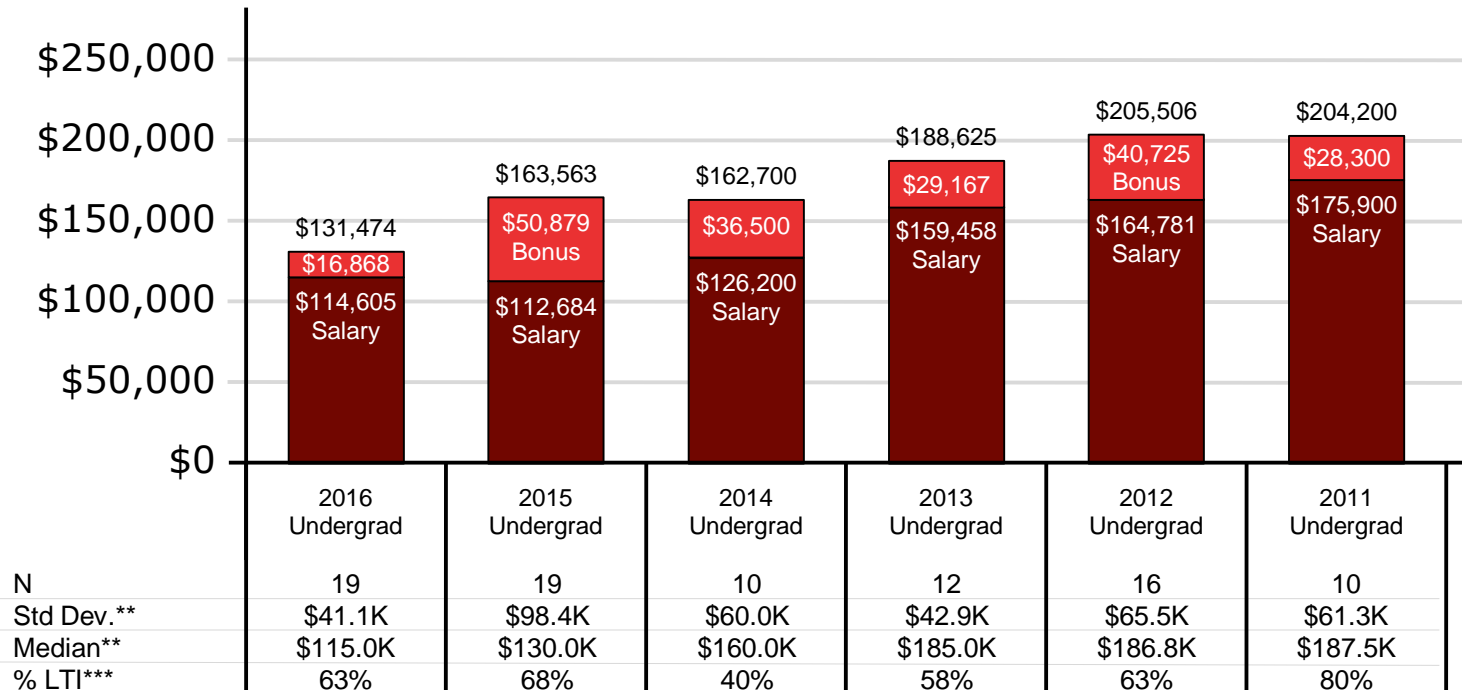
***% LTI equals the percentage of respondents who participate in some form of a Long Term Incentive program (i.e. stock options, restricted stock units, carry in a fund, deferred cash (but NOT including a 401K match), etc.).



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). It's interesting to note that a 2012 undergrad correlates very closely to a 2016 MBA (see previous slide for 2016 MBA data).



*Base salary plus target annual bonus only. Does not include retirement contribution, profit sharing, sign-on, car allowance or other such cash equivalents.

**Standard Deviation and Median numbers are calculated for base salary plus target annual bonus, 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, carry in a fund, deferred cash (but NOT including a 401K match), etc.).

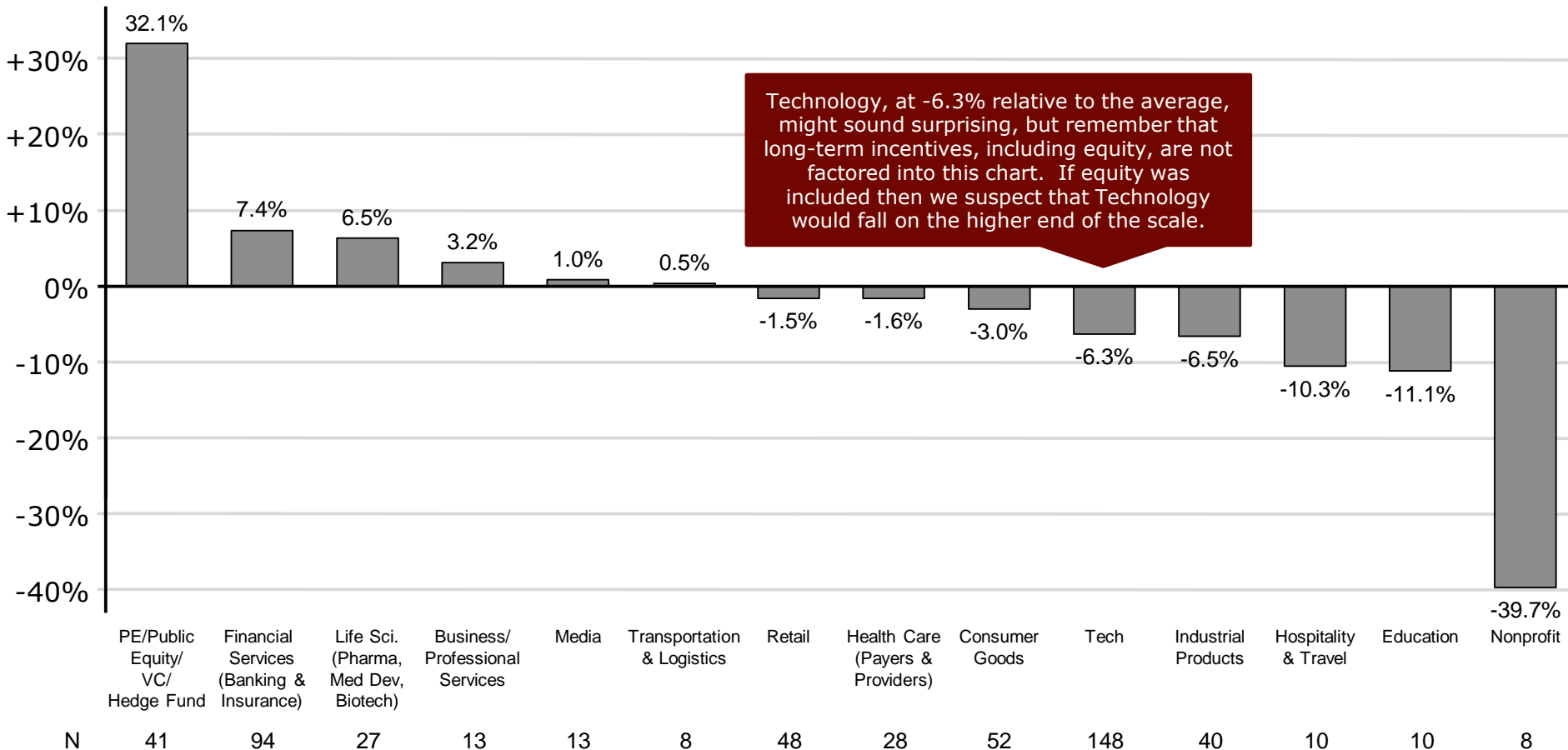


Compensation* by Industry



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 that designated themselves as working in Education earned an average of 11.1% less than their peers that 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.



*Based on base salary plus target annual bonus only. Does NOT include any form of Long-Term Incentive (LTI), equity grant, retirement contribution, profit sharing, sign-on, car allowance or other such cash equivalents.

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

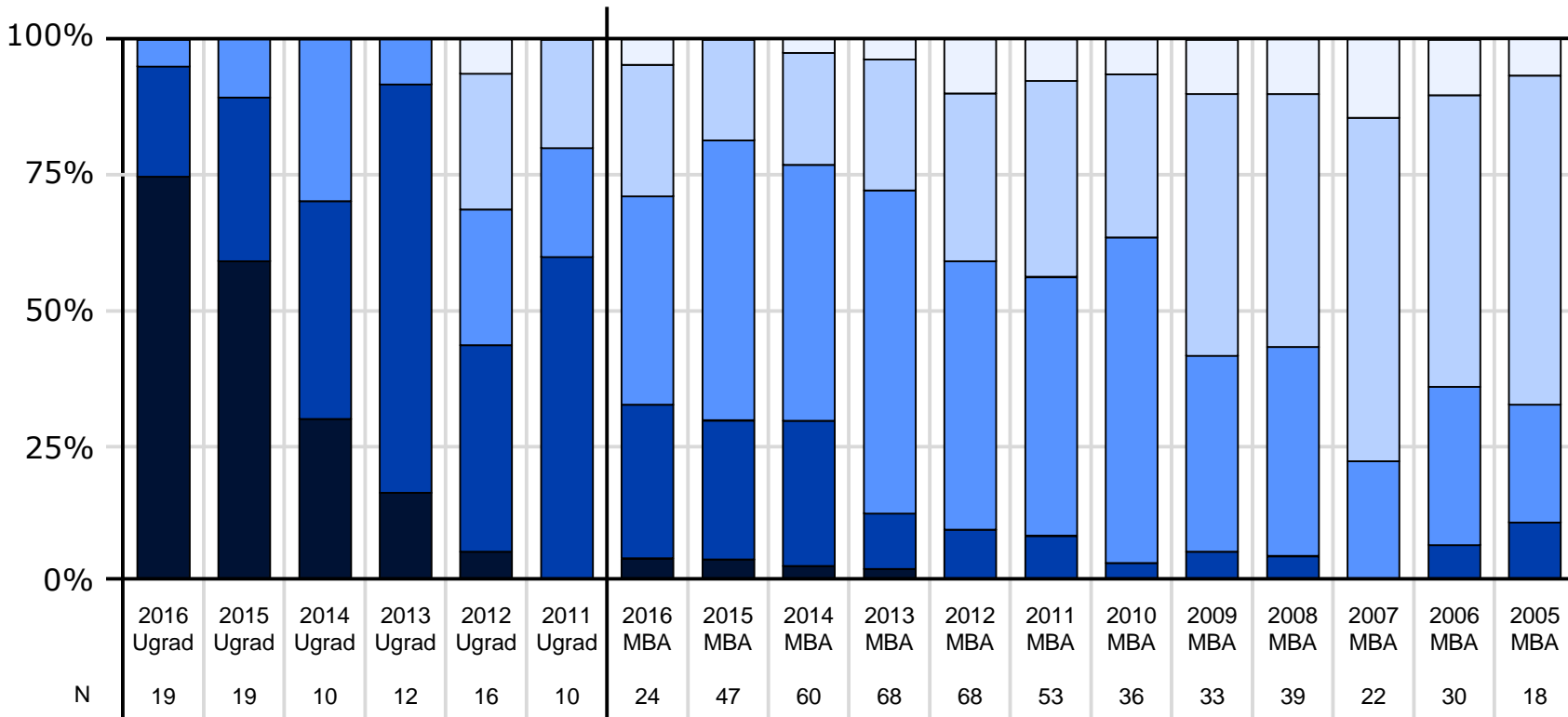
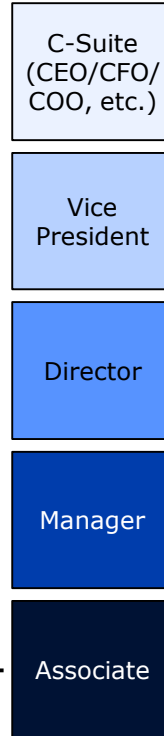


Title* by Graduation Year



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*



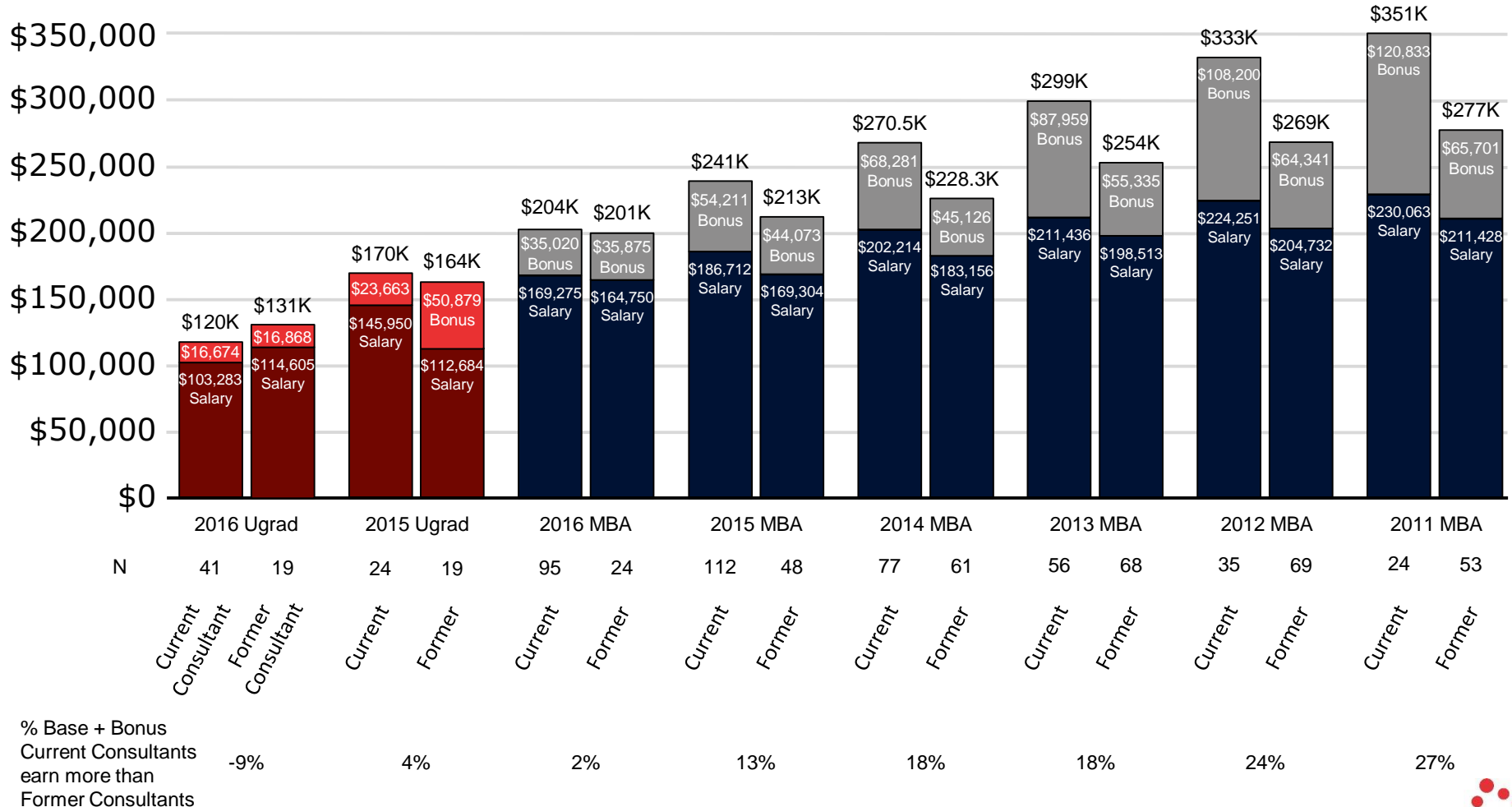
*Titles were selected via drop-down box versus open field. This data was self-reported by respondents and are not verified through any other means.



Current vs. Former Consultant Compensation*



This slide compares the average annual compensation that current consultants earn relative to former consultants. While the data clearly indicates that current consultants earn more on average than former consultants, remember that long-term incentives, including equity, are not factored into this chart. If equity was included, then we suspect the differences would not be as significant.*



*Based on base salary plus target annual bonus only. Does NOT include any form of Long-Term Incentive (LTI), equity grant, retirement contribution, profit sharing, sign-on, car allowance or other such cash equivalents.



2018 Former Consultant Sample Industry Offers



A subset of 2018 offers accepted by Charles Aris candidates who were former Tier 1 consultants:

Education	Consulting Firm	Accepted Offer*				Offer Title	Company Description
		Base	Bonus	Sign-On	Equity		
MBA 2006	x-Tier 1	\$325K	40%	\$50K	\$1.4M**	SVP	PE Portfolio Company
MBA 2007	x-Big 3	\$275K	40%	\$80K	\$1.5M**	SVP	PE Portfolio Company
MBA 2008	x-Tier 1	\$267K	50%	\$50K	\$2.2M**	VP	PE Portfolio Company
MBA 2009	x-Big 3	\$300K	33%	\$50K		VP	Corporation
MBA 2009	x-Big 3	\$225K	30%		\$75K	VP	Corporation
MBA 2010	x-Tier 1	\$285K	30%	\$25K	\$1.0M**	SVP	PE Portfolio Company
MBA 2010	x-Big 3	\$275K	36%		\$500K**	VP	PE Portfolio Company
MBA 2011	x-Big 3	\$215K	32%	\$90K	\$50K	Senior Director	Corporation
MBA 2012	x-Big 3	\$250K	20%		\$125K	VP	Private Equity
MBA 2014	x-Big 3	\$225K	25%	\$35K	\$50K	Director	Corporation
MBA 2014	x-Tier 1	\$200K	15%			Director	PE Portfolio Company
B.S. 2009	x-Big 3	\$290K	47%	\$25K	\$10K	SVP	PE Portfolio Company

↑
Post
MBA
↓
Pre
MBA

*Base = Base Salary. Bonus = Annual Target Bonus. Sign-On = Sign-On Bonus. Equity = Annual Equity. **One-Time Equity Grant



- ◆ **Charles Aris** is an international executive search firm founded in 1969. Its Strategy & Corporate Development practice is led by CEO Chad Oakley, a former Bain & Company consultant with a Wharton MBA degree.
- ◆ Since its inception in 2003, our Strategy & Corporate Development practice has placed more than **670** candidates, at multiple levels, including Chief Strategy & Corporate Development Officers, Vice Presidents, Directors, Managers and Associates/Analysts.
- ◆ 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 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 slide or visit CharlesAris.com.



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



Recently Completed Searches by Practice Area



STRATEGY & CORPORATE DEVELOPMENT

Title	Salary + Bonus*
SVP, Head of Strategy & M&A	\$528,000
Chief Strategy Officer	\$481,000
Vice President, Integration	\$412,000
Vice President, International Strategy	\$385,000
Chief of Staff to CEO	\$378,685
Vice President, Strategy	\$350,000
Vice President, M&A	\$337,000
Vice President, Corporate Development	\$312,000
Vice President & Chief of Staff	\$294,000
Director, Strategy	\$250,000
Director, Strategic Analytics	\$227,500
Private Equity Associate	\$224,000
Director, Strategy & Corporate Dev.	\$221,000
Portfolio Operations Associate	\$215,000
Director, Transformation	\$214,500

ENGINEERING & MANUFACTURING OPERATIONS

Title	Salary + Bonus*
Senior Engineering Manager	\$264,500
Operations Manager	\$260,000
Chief Operating Officer	\$260,000
Senior Director, R&D	\$256,500
Corporate VP, Engineering, R&D, Innov.	\$240,000
Director, Plant Operations	\$218,750
Operations Manager	\$216,000
Director, Project Engineering	\$210,000
Lead Temp Engineer	\$201,250
Vice President, Engineering	\$190,000
Director, Innovation	\$180,000
Plant Manager	\$168,750
Maintenance Supervisor	\$152,100
Senior Scientist	\$140,000
Reliability Leader	\$130,000

*Does not include equity or other forms of compensation



Recently Completed Searches by Practice Area



FINANCE & ACCOUNTING

Title	Salary + Bonus*
CFO – Consumer Goods	\$500,000
CFO – Real Estate / Construction	\$357,500
CFO – Insurance	\$300,000
CFO – Automotive Products	\$273,000
Director of Solar Finance	\$270,000
CFO – Apparel & Fashion	\$259,000
CFO – Pet Food Manufacturer	\$252,000
Director, Financial Planning & Analysis	\$247,000
CFO, Injection Molding	\$240,500
CFO – Industrial Products	\$206,250
CFO – Industrial Products	\$187,200
CFO – Industrial Automation	\$175,000
Finance Manager	\$156,000
Planning & Perf. Analytics Manager	\$147,600
Director, Global FP&A	\$140,000

SALES & MARKETING

Title	Salary + Bonus*
Chief Product Officer	\$468,000
Chief Marketing Officer	\$362,500
EVP, Sales & Marketing	\$317,300
Vice President, Sales	\$281,250
Vice President, Sales / Marketing	\$280,000
Territory Vice President	\$224,000
Director, Global Product Stewardship	\$215,000
Territory Vice President	\$208,000
Vice President, Business Development	\$200,000
Vice President, Sales	\$180,000
Category Manager	\$175,000
Director, Marketing	\$174,000
Vice President, Sales	\$150,000
Product Manager	\$143,850
Product Manager	\$142,500

*Does not include equity or other forms of compensation



Recently Completed Searches by Practice Area



EXECUTIVE LEADERSHIP

Title	Salary + Bonus*
CEO – Hospitality	\$1,000,000
SVP, Feed Division	\$735,000
CEO – Food Manufacturing	\$600,000
CEO – Retail	\$525,000
President, Education Solutions	\$465,000
President, Health Care Services	\$450,000
CEO – Building Materials	\$375,000
CEO – Injection Molding	\$375,000
General Mgr – Consumer Electronics	\$350,000
CEO – Oil & Energy	\$310,500
General Manager – Consumer Goods	\$299,000
President – Process & Controls	\$294,000
EVP / GM – Consumer Electronics	\$240,000
CEO – Education	\$237,500
CEO – Investment Management	\$231,250

MISCELLANEOUS

Title	Salary + Bonus*
Head of Performance Acceleration	\$472,500
Vice President, Customer Analytics	\$368,450
SVP, Risk Management	\$280,000
IT Expert Manager	\$276,000
Director, Communication Improvement	\$258,000
HR Site Manager / Director	\$218,750
Director of Human Resources	\$212,500
VP, Clinic Operations	\$190,000
Global Distribution Manager	\$187,500
Vice President, Construction	\$179,400
Senior Designer	\$155,250
Investment Engineer	\$155,000
Vice President of People	\$154,000
VP, CIO	\$150,000
Technology Innovation Leader	\$140,000

*Does not include equity or other forms of compensation

