



**CHARLES
ARIS™**

2023

STRATEGY CONSULTING COMPENSATION STUDY

A MESSAGE TO THE STRATEGY COMMUNITY

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Charles Aris is proud to present our **13th Annual Strategy Consulting Compensation Study**, and we extend our sincere thanks to the 2,317 of you who took the time to complete the voluntary and anonymous compensation survey that made this study possible. We're grateful to have such strong support from the strategy community.

A special thank you to Laurence Lau at The Golden Company and Will Bachman at Umbrex for all of their help with this year's study!

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 three charities. Here's how your \$10,000 was distributed based on your selections:

ACLU

\$2,935.21

The Nature
Conservancy 

\$4,230.94



\$2,833.85

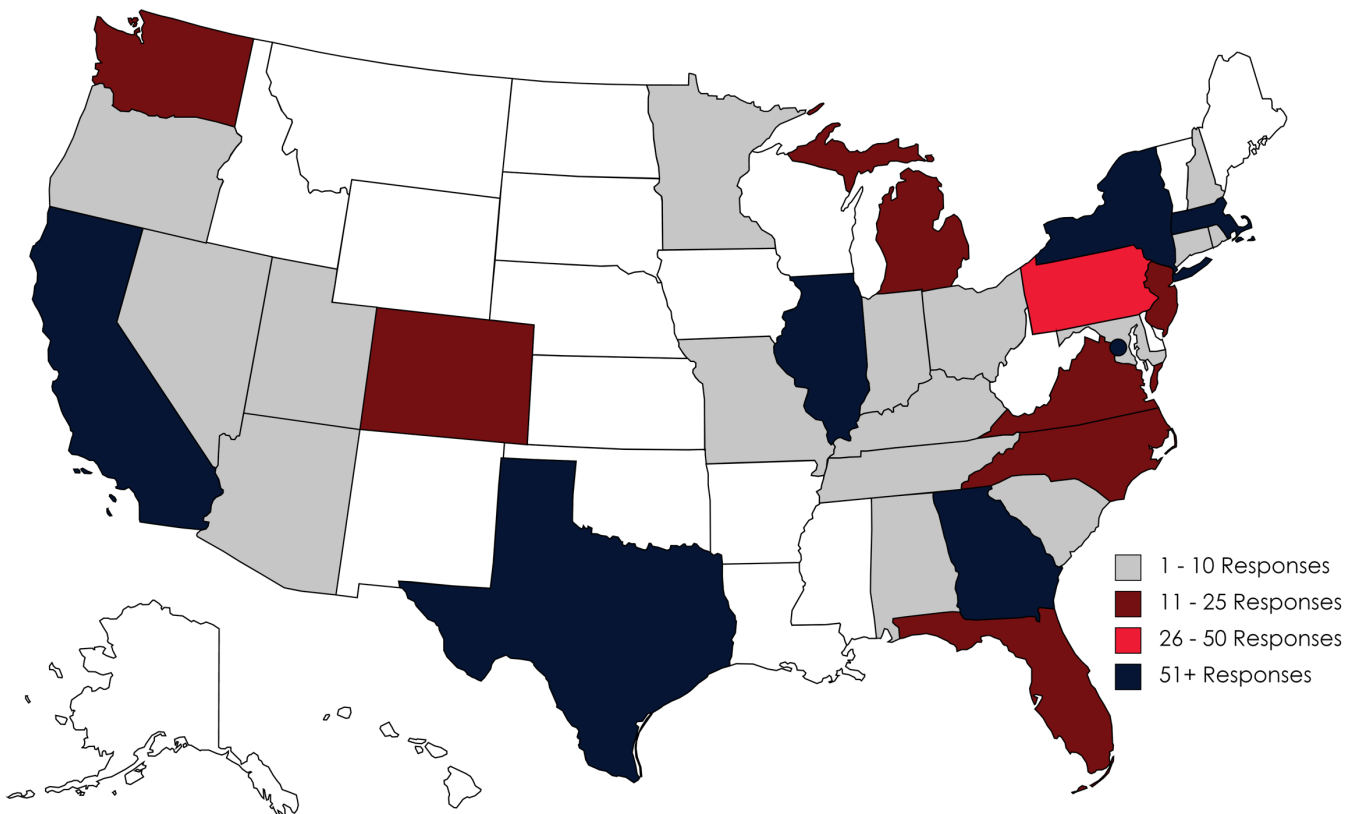


KEY FACTS ON THE COMPENSATION DATA USED FOR THIS STUDY

- ⚠️ All compensation data points for this study were collected via an anonymous and voluntary survey between August 30 and December 31, 2022. 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.
- ⚠️ 2,317 individuals – 1,160 of whom are current consultants – completed our survey. Of the remaining 1,157 respondents, 1,074 are former consultants, and 83 have never worked in consulting. For the purposes of this study, only data points from current consultants were used. **On March 26, 2023, we will publish a second compensation study that focuses solely on former consultants.**
- ⚠️ We eliminated 361 of the 1,160 responses from current consultants, leaving us with 799 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. However, we are confident the data points are accurate, given the consistency in responses we received across consultants and firms.

SURVEY RESPONDENTS BY STATE

We received survey responses across 31 states, including Washington, DC.

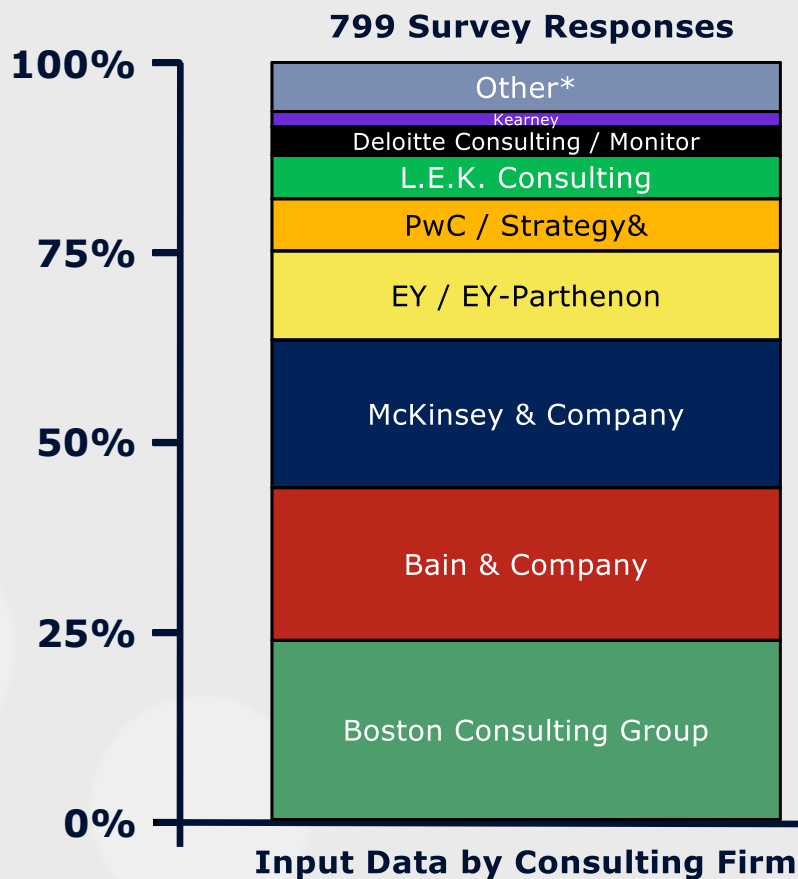


Top Metropolitan Areas

Metro Area*	Responses
New York City	240
Chicago	165
Boston	135
Washington, DC	68
Atlanta	58
Dallas	53
San Francisco	52
Los Angeles	51
All Other Locations	338
TOTAL	1,160

*Metros include surrounding areas, which may be located in other states (e.g., New York City includes respondents in Jersey City, NJ; Washington, DC includes respondents in Alexandria, VA, etc.).

RESPONSES BY CONSULTING FIRM



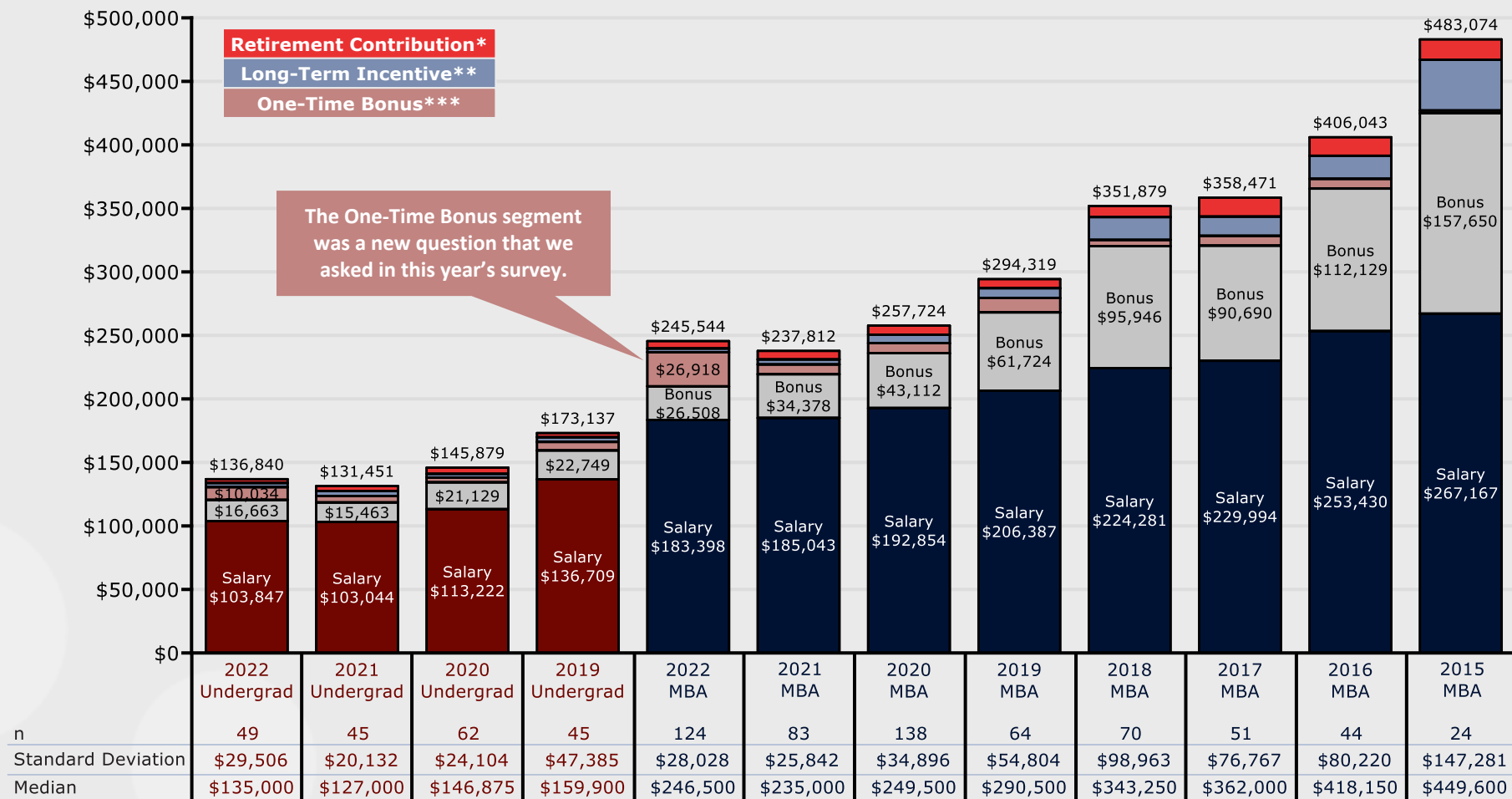
Our 2023 Strategy Consulting Compensation Study is driven by **799** survey responses from consultants across 12 consulting firms.

63.3% of the responses come from consultants at “The Big Three” firms: Boston Consulting Group, Bain & Company and McKinsey & Company.

Of the 799 total responses, 598 come from post-MBA consultants, and 201 come from pre-MBA / undergraduate consultants.

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

AVERAGE COMPENSATION BY GRADUATION YEAR



*Retirement Contribution only includes automatic contributions, not 401(k) matches (i.e., those contributions consultants receive independent of their own).

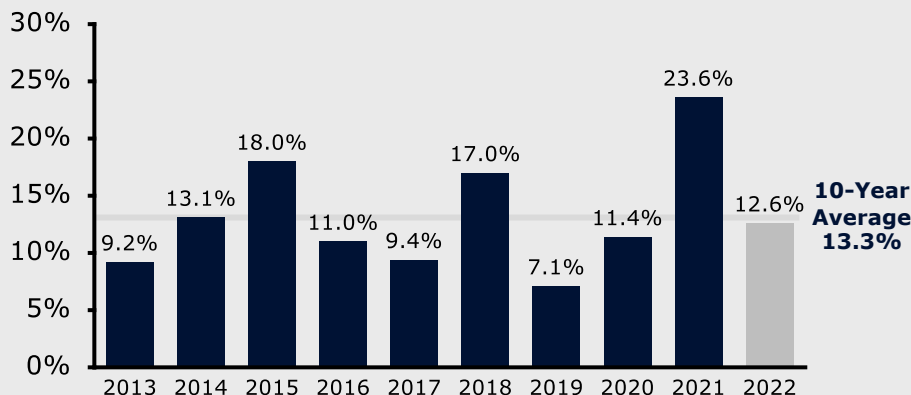
**Long-Term Incentive includes profit sharing above and beyond annual performance bonus, a special form of equity, etc.

***One-time bonuses include sign-on bonuses and pandemic-related retention bonuses.

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 **12.6% increase** in compensation from 2021 to 2022.

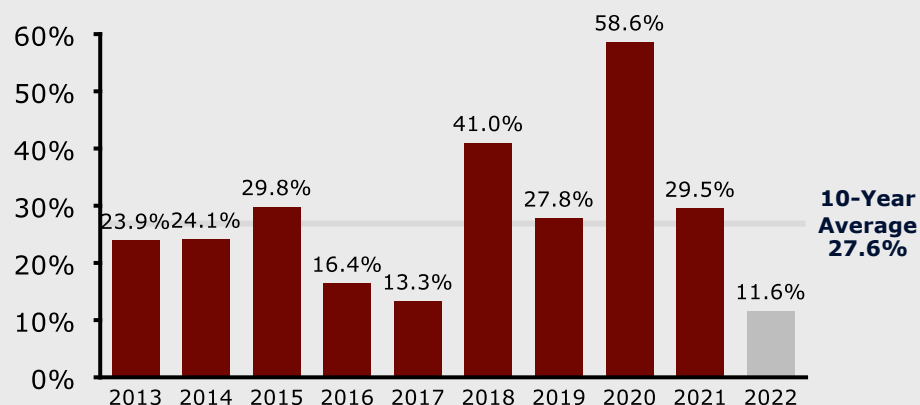
WHAT'S DRIVING IT? 2021 was the tightest labor market in the United States in over 50 years, which drove post-MBA consulting compensation to unprecedented heights. We were expecting to see a more modest bump this year coming off the 23.6% increase in 2021 (which was the largest we've seen in ten years); however, the labor market remains tight, so consulting firms increased compensation 12.6% in 2022 to attract and retain the best talent, which still aligns closely to the historical average.

Pre-MBA compensation increases were cut in half *again* in 2022 relative to 2021 and **yet still increased by 11.6%!**

WHAT'S DRIVING IT? Over the last three years, pre-MBA compensation on average has more than doubled. While 11.6% is clearly below the 10-year average, the market was due for a correction at the pre-MBA level. To offset the slowdown, we have seen consulting firms increase the volume of other benefits, such as accelerated promotions, international transfers, secondments/externships, MBA sponsorships and formal offers to return.

Pre-MBA

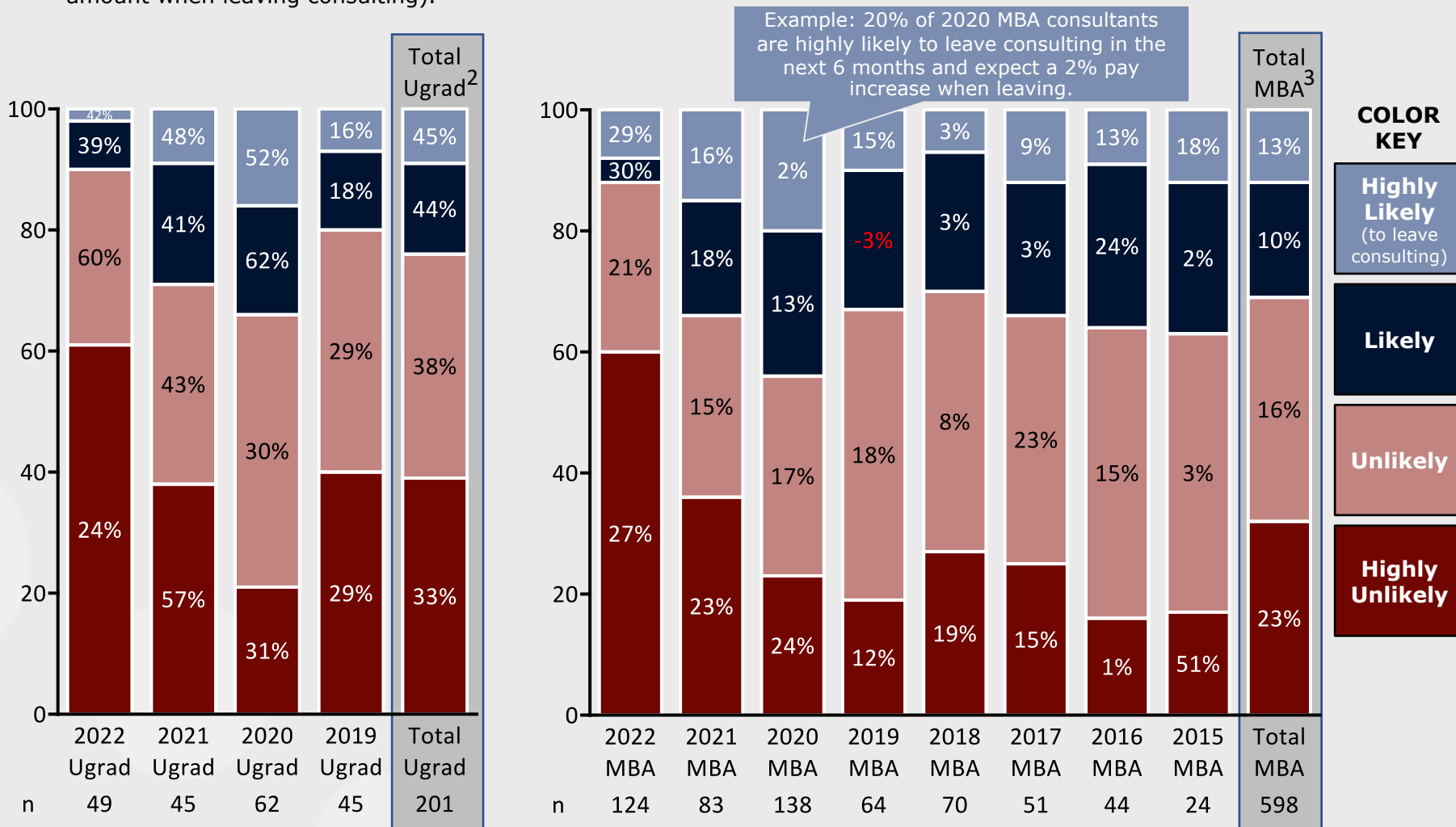
How much did the average pre-MBA / undergraduate consultant's compensation increase compared to the previous year?



LIKELINESS TO LEAVE CONSULTING VS. COMP EXPECTATIONS¹

This chart summarizes two key data points:

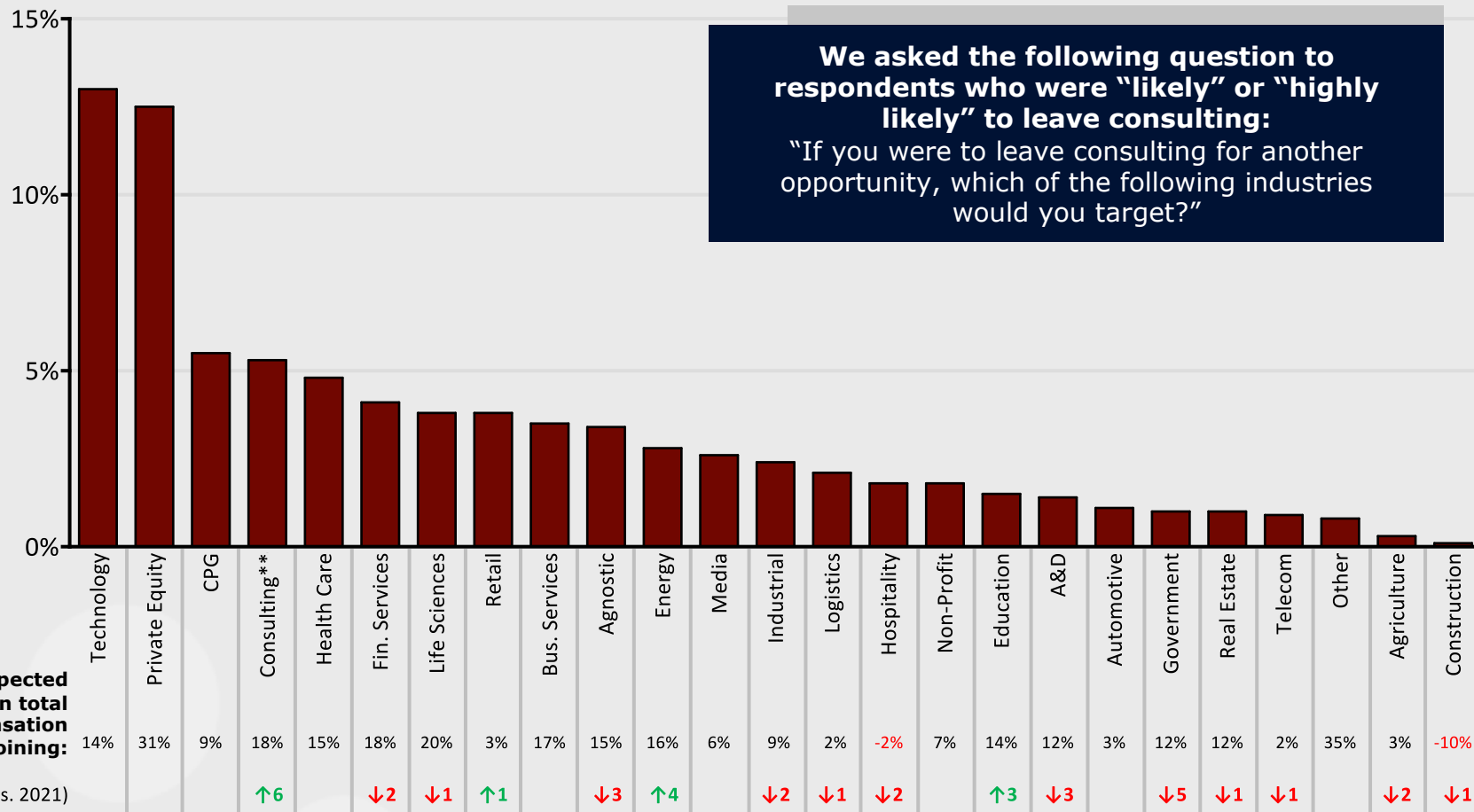
- The likeliness of respondents to leave consulting in the next six months, by consulting class (the color of the bars).
- The average percentage change in first-year total compensation¹ expected by each respondent group (which is the percentage listed in each bar segment – a red percentage indicates the respondent group expects a pay decrease of that amount when leaving consulting).



1) Total Comp includes base salary, target annual bonus, plus any annual long-term incentives such as stock options, RSUs, retirement contributions or long-term cash payouts.
 2) Weighted average of 2019-2022 undergrad data
 3) Weighted average of 2015-2022 MBA data

INDUSTRY PREFERENCES UPON LEAVING CONSULTING

% of respondents that selected each industry*



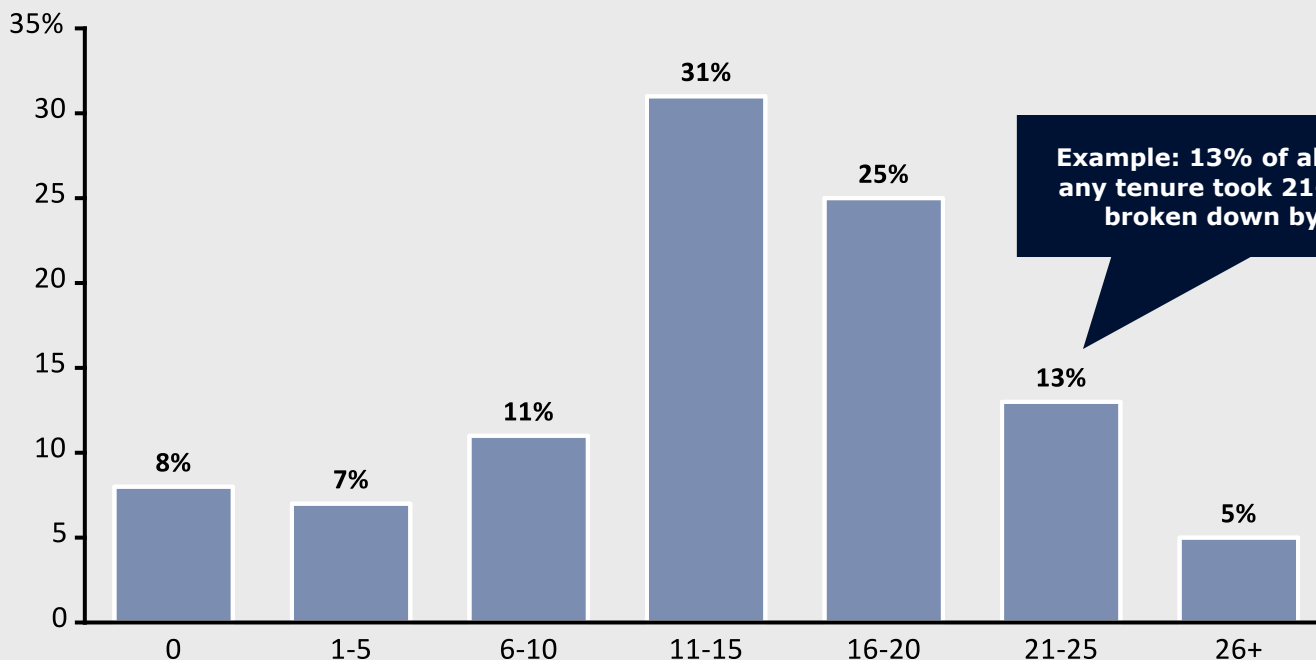
236 respondents (30% of total; Remaining respondents are not actively considering leaving consulting)

*Maximum 3 industries per respondent (2.7 average, 2.6 for pre-MBAs, 2.8 for post-MBAs).

**Indicates respondent is targeting another consulting firm than the one they are employed by today.

AMOUNT OF PTO ACTUALLY TAKEN

PTO Taken (Days)*



Example: 13% of all respondents of any tenure took 21-25 days of PTO, broken down by level below.

PTO Taken by Level	0	1-5	6-10	11-15	16-20	21-25	26+
Analyst	14%	10%	14%	37%	17%	7%	1%
Associate	7%	11%	15%	39%	18%	7%	3%
Manager	4%	1%	5%	23%	37%	23%	7%
Principal	6%	1%	7%	14%	39%	19%	14%
Partner	12%	3%	3%	18%	15%	37%	12%

*The number at the top of each bar represents the weighted average across all levels.

2022 SAMPLE INDUSTRY OFFERS

A subset of 2022 offers **accepted** by Charles Aris candidates from Tier-1 Strategy Firms from July 1 - December 31:

GRADUATION YEAR	CONSULTING FIRM	DETAILS OF ACCEPTED OFFER*						COMPANY DESCRIPTION
		Title	Base	+ Bonus	= Total Comp	Equity	Sign-On	
2010 MBA	x-Tier 1	Vice President	\$250k	30%	\$325,000	\$800k**	n/a	PE-Backed Corporation
2011 MBA	x-Big 3	Vice President	\$275k	40%	\$385,000	Equity^	\$75k	PE-Backed Corporation
2012 MBA	x-Big 3	Vice President	\$275k	35%	\$371,250	\$1M**	n/a	PE-Backed Corporation
2013 MBA	x-Tier 1	Vice President	\$300k	40%	\$420,000	\$2M**	\$90k	PE-Backed Corporation
2013 MBA	Big 3	Operating Vice President	\$300k	50%	\$450,000	Carry^	n/a	Private Equity
2014 MBA	Tier 1	Vice President	\$275k	30%	\$357,500	\$1.5M**	\$50k	PE-Backed Corporation
2015 MBA	x-Big 3	Senior Director	\$260k	35%	\$351,000	\$100k	n/a	Corporation
2016 MBA	Big 3	Senior Director	\$295k	40%	\$413,000	\$90k	\$150k	Corporation
2017 MBA	Big 3	Senior Director	\$275k	20%	\$330,000	\$50k	\$250k	Corporation
2018 MBA	Big 3	Senior Director	\$225k	35%	\$303,750	\$35k	n/a	Corporation
2018 MBA	Big 3	Vice President	\$230k	35%	\$310,500	\$1M**	n/a	PE-Backed Corporation
2018 MBA	Big 3	Chief of Staff	\$240k	50%	\$360,000	\$750k**	n/a	PE-Backed Corporation
2019 MBA	Big 3	Vice President	\$220k	33%	\$292,600	Carry^	\$30k	Private Equity
2020 MBA	Big 3	Vice President	\$250k	40%	\$350,000	Carry^	n/a	Private Equity
2020 MBA	Big 3	Vice President	\$225k	55%	\$348,750	n/a	n/a	Asset Management
2018 UG	Big 3	Associate	\$170k	40%	\$238,000	n/a	\$25k	Private Equity
2020 UG	Tier 1	Manager	\$155k	15%	\$178,250	n/a	\$15k	Corporation
2021 UG	Big 3	Associate	\$175k	75%	\$306,250	n/a	n/a	Private Equity

*Base = Base Salary. Bonus = Annual Target Bonus. Sign-On = Cash Sign-On Bonus. Equity = Annual stock options or RSU's.
**One-time grant with expected value upon sale or IPO of the business. ^Equity/carry amount was undisclosed at time of offer.

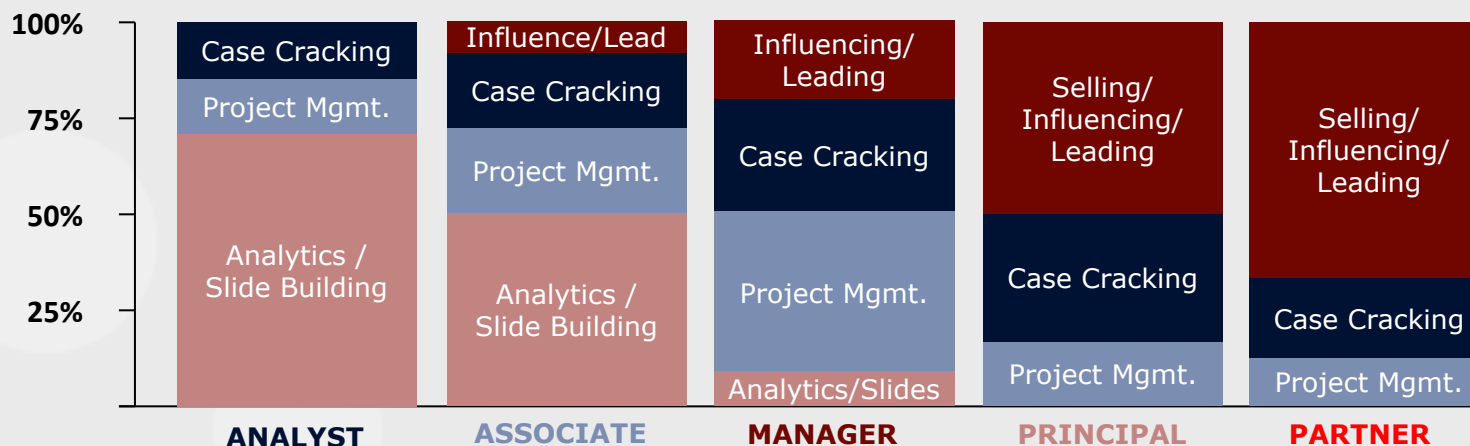
STRATEGY CONSULTANT COMPETENCIES

The matrix below defines the **expected** competencies for consultants at each level for the **2023** recruiting year:

TITLE AT CONSULTING FIRM*	ANALYST	ASSOCIATE	MANAGER	PRINCIPAL	PARTNER
YEARS OF EXPERIENCE	1-2 years Pre-MBA	1-2 years Post or 3+ years Pre	3-4 years Post-MBA	5-7 years Post-MBA	8+ years Post-MBA
TYPICAL GRADUATION YEAR	2020-2022 undergraduate degree	2021-2022 MBA	2019-2020 MBA	2016-2018 MBA	2015 and earlier MBA
2022 AVERAGE TOTAL COMPENSATION	\$141,408	\$239,918	\$310,067	\$419,148	\$986,803

Breakdown of Consultant Competencies by Position

(consultant competencies defined on next slide)



*These are meant to serve as generic titles, as titles differ significantly by firm.

CONSULTANT COMPETENCY DEFINITIONS

Junior-Level Competencies



Senior-Level Competencies

ANALYTICS / SLIDE BUILDING	PROJECT MANAGEMENT	CASE CRACKING	SELLING / INFLUENCING / LEADING
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.

2023 CORPORATE OFFER RANGES BY MBA YEAR

Our **corporate*** offer forecast for 2023, by MBA graduation year, based on consulting compensation in 2022 and the current level of demand for talent relative to supply constraints.

2021 MBA	25 th	50 th	75 th
Title	Sr. Manager	Sr. Manager	Director
Base Salary	\$175,000	\$195,000	\$205,000
Annual Bonus	15%	20%	25%
Annual Equity	\$0	\$0	\$20,000
Total	\$201,250	\$234,000	\$276,250

2018 MBA	25 th	50 th	75 th
Title	Director	Sr. Director	VP
Base Salary	\$225,000	\$240,000	\$250,000
Annual Bonus	30%	35%	40%
Annual Equity	\$50,000	\$60,000	\$80,000
Total	\$342,500	\$384,000	\$430,000

2020 MBA	25 th	50 th	75 th
Title	Sr. Manager	Director	Director
Base Salary	\$195,000	\$210,000	\$220,000
Annual Bonus	20%	25%	30%
Annual Equity	\$0	\$20,000	\$40,000
Total	\$234,000	\$282,500	\$326,000

2017 MBA	25 th	50 th	75 th
Title	Sr. Director	Sr. Director	VP
Base Salary	\$240,000	\$260,000	\$275,000
Annual Bonus	30%	35%	40%
Annual Equity	\$60,000	\$80,000	\$100,000
Total	\$372,000	\$431,000	\$485,000

2019 MBA	25 th	50 th	75 th
Title	Director	Director	Sr. Director
Base Salary	\$215,000	\$225,000	\$240,000
Annual Bonus	25%	25%	30%
Annual Equity	\$20,000	\$35,000	\$50,000
Total	\$288,750	\$316,250	\$362,000

2016 MBA	25 th	50 th	75 th
Title	VP	VP	SVP
Base Salary	\$250,000	\$265,000	\$280,000
Annual Bonus	30%	40%	50%
Annual Equity	\$75,000	\$100,000	\$125,000
Total	\$400,000	\$471,000	\$545,000

*All of these components are for corporate offers. Private equity portfolio company equity typically takes the form of a one-time grant with a higher potential payout than the annual equity numbers listed on this page.



2023 CORPORATE OFFER RANGES BY UNDERGRADUATE YEAR

Our **corporate** offer forecast for 2023, by undergraduate experience level, based on consulting compensation in 2022 and the current level of demand for talent relative to supply constraints.

2021 Pre-MBA	25 th	50 th	75 th
Title	Associate	Sr. Associate	Manager
Base Salary	\$120,000	\$130,000	\$140,000
Annual Bonus	10%	15%	20%
Annual Equity	\$0	\$0	\$0
Total	\$132,000	\$149,500	\$168,000

2020 Pre-MBA	25 th	50 th	75 th
Title	Sr. Associate	Manager	Sr. Manager
Base Salary	\$135,000	\$155,000	\$175,000
Annual Bonus	10%	15%	20%
Annual Equity	\$0	\$0	\$0
Total	\$148,500	\$178,250	\$210,000

2019 Pre-MBA*	25 th	50 th	75 th
Title	Sr. Manager	Sr. Manager	Director
Base Salary	\$175,000	\$195,000	\$205,000
Annual Bonus	15%	20%	25%
Annual Equity	\$0	\$0	\$20,000
Total	\$201,250	\$234,000	\$276,250

*The majority of 2019 pre-MBA consultants who remain in consulting have been promoted to post-MBA roles, and thus, their compensation requirements are similar to 2021 MBAs.



2023 PRIVATE EQUITY OFFER RANGES BY LEVEL

Our **private equity*** offer forecast for 2023, by experience level, based on consulting compensation in 2022 and the current level of demand for talent relative to supply constraints.

TITLE	ASSOCIATE	VICE PRESIDENT	PRINCIPAL	OPERATING PARTNER
BACKGROUND	2-4 years of pre-MBA strategy consulting experience	2-4 years of post-MBA strategy consulting experience	6+ years of post-MBA strategy consulting experience or strategy consulting experience combined with relevant industry experience	Partner / MD from strategy consulting or significant strategy consulting experience combined with relevant industry experience
ROLE	Deal or Portfolio Operations	Deal or Portfolio Operations	Portfolio Operations	Portfolio Operations
BASE	\$125,000 - \$200,000	\$200,000 - \$300,000	\$300,000 - \$500,000	\$500,000+
BONUS	25-100%	33-100%	50-100%	100%+
TOTAL CASH	\$225,000 - \$350,000	\$300,000 - \$450,000	\$450,000 - \$750,000	\$1M+
CARRY	No	Yes	Yes	Yes

*Private equity compensation packages differ significantly based on firm AUM.

THE CHARLES ARIS STRATEGY PRACTICE

Charles Aris Inc. is an international executive search firm founded in 1969. Our Strategy Practice is led by CEO Chad Oakley, a former Bain & Company consultant with an MBA degree from Wharton, and is currently celebrating its 20th anniversary.

Since its inception in 2003, our Strategy Practice has successfully completed more than **1,200 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 team of industry-leading corporations and asset management firms; the investment and portfolio management teams of leading private equity 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 page or visit CharlesAris.com.



OUR STRATEGY LEADERSHIP TEAM



Chad Oakley
Chief Executive Officer
Diversified
336-217-9101
chad.oakley@charlesaris.com



Steven Stewart
Vice President
TMT & Industrials
336-217-9114
steven.stewart@charlesaris.com



Jill Jitima
Vice President
Consumer & Retail
336-217-9115
jillian.jitima@charlesaris.com



Ashlee Wagner
Vice President
Fin. Svcs., Asset Mgmt. & PE
336-217-9142
ashlee.wagner@charlesaris.com



Jody Bischoff
Vice President
Healthcare & Life Sciences
336-217-9104
jody.bischoff@charlesaris.com



Julia Opaleski
Director
Consumer & Retail
336-217-9132
julia.opaleski@charlesaris.com



Kevin Stemke
Senior Associate Practice Leader
Industrials
336-217-9109
kevin.stemke@charlesaris.com



Derek Terry
Senior Associate Practice Leader
Consumer & Retail
336-217-9185
derek.terry@charlesaris.com

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

RECENTLY COMPLETED SEARCHES FROM OTHER CHARLES ARIS PRACTICES

Corporate Development

Title	Salary + Bonus*
EVP - Services	\$525,000
SVP - Services	\$487,000
SVP - Financial Services	\$455,000
SVP - Healthcare	\$448,000
SVP - Manufacturing & Distribution	\$420,000
Vice President - Tech	\$415,000
Vice President - Services	\$400,000
Vice President - Services	\$400,000
Senior Vice President	\$371,000
Vice President - Manufacturing	\$364,000
Vice President	\$364,000
Vice President - IT Services	\$357,500
Senior Vice President - Tech	\$351,000
Vice President - Manufacturing	\$350,000
Vice President - Services	\$350,000
Vice President - Manufacturing	\$350,000
Vice President - Services	\$350,000
Vice President - Services	\$350,000
Vice President - Payor Services	\$345,000
Vice President - CRO	\$344,000

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
President	\$370,500
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 Engineering	\$293,750
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
Executive Director of Ops	\$200,000

*Does not include equity or other forms of compensation



RECENTLY COMPLETED SEARCHES FROM OTHER CHARLES ARIS PRACTICES

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
President	\$370,500
General Mgr. – Consumer Electronics	\$350,000
General Manager	\$315,000
CEO – Oil & Energy	\$310,500
General Manager – Consumer Goods	\$299,000

Finance & Accounting

Title	Salary + Bonus*
CFO – Real Estate	\$900,000
CFO – Healthcare	\$540,000
CFO – Consumer Products	\$525,000
CFO – Distressed Retail	\$450,000
Corporate Controller – Real Estate	\$425,000
CFO – Consumer Products	\$420,000
CFO – Business Services	\$414,500
CFO – Specialty Insurance Provider	\$412,000
CFO – Electrical Manufacturer	\$375,000
VP, FP&A – SaaS Provider	\$375,000
CFO – Manufacturer/Real Estate	\$346,000
Director, FP&A – Commercial Products	\$331,500
VP - Corporate Controller – Manufacturer	\$325,000
VP - FP&A – Manufacturer	\$312,000
CFO – Electronic Distributor	\$275,000
VP - FP&A – Healthcare	\$264,000
VP - Corporate Controller – Healthcare	\$240,000
Controller – Commercial Services	\$237,500
Controller – Commercial Products	\$225,000
Director, FP&A – Commercial Services	\$204,000

*Does not include equity or other forms of compensation



RECENTLY COMPLETED SEARCHES FROM OTHER CHARLES ARIS PRACTICES

Human Capital

Title	Salary + Bonus*
SVP, Human Resources	\$371,000
Executive Search Consultant	\$360,000
Chief People Officer	\$352,500
Vice President, Human Resources	\$325,000
Vice President, Human Resources	\$316,250
Vice President, Human Resources	\$290,250
Vice President, Human Resources	\$266,500
Talent Manager	\$265,000
Director, Leadership & Talent Advisory	\$264,000
SVP, Human Resources	\$262,500
Chief People Officer	\$260,000
Vice President, Employee Experience	\$250,000
Senior Director, Talent Acquisition	\$237,500
Vice President, Human Resources	\$222,000
Chief People Officer	\$221,400
Director, Talent Acquisition	\$218,500
Director, Human Resources	\$200,000
Director, Recruiting	\$200,000
Senior Director, Talent Acquisition	\$192,000
Director of Talent	\$184,000

Sales & Marketing

Title	Salary + Bonus*
Chief Marketing Officer	\$824,000
Chief Revenue Officer	\$490,000
Vice President of Marketing	\$429,000
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
Director of Sales & Tech Services	\$247,000
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

*Does not include equity or other forms of compensation





**CHARLES
ARIS™**

Charles Aris HQ

299 North Greene Street
Greensboro, NC 27401

Washington, DC Office

2033 K St NW
Washington, DC 20006

(336) 378-1818 | CharlesAris.com