

Salary Benchmarking Report 2020

*A comprehensive study of remuneration levels
within the Management Consulting sector*

Sponsored by

mindbench
for outstanding high achievers

- CONTENTS**
- INTRODUCTORY REMARKS
- OUR SPONSOR
- SURVEY DEMOGRAPHICS

- **Introductory remarks**
- **The Demographics of the Survey's Respondents and Top-Consultant.com's Consulting Readership**
- **Commentary provided by Mindbench**
- **Overview of Consulting Salaries and Trends**
- **Salary levels by Seniority and Type of Consulting**
 - ✓ Junior Consultants
 - ✓ Senior Consultants
 - ✓ Managers
 - ✓ Senior Managers/ Principals
 - ✓ Partners
- **About our sponsors**
- **Contact us**

CONTENTS

INTRODUCTORY REMARKS

OUR SPONSOR

SURVEY DEMOGRAPHICS

This is the seventh edition of this biannual report on trends for consulting salaries in the UK. It is built on data gathered from thousands of respondents. Thanks to all those who contributed.

The report includes basic salary, bonus levels and benefits individually reported by level of seniority across the management consultancy profession, with break-out data for different areas of consulting. Continuing the format of previous reports, this year's findings are compared closely with results from previous surveys to better illustrate the changes to reward, that practicing consultants have faced through the recession, the growth years and the COVID driven 2020.

This UK consulting employment market has continued to cool. The trend of low salary inflation, that started after the financial crash, has continued.

We ourselves have seen this reflected in the salaries being advertised on Top-Consultant over the last year.

There is still a big jump from Principal to Partner. Firms are continuing to increase usage of offshore teams to staff junior grades which is undoubtedly putting pressure on salaries for these roles and reducing the demand for UK based staff.

I hope you find this an interesting and useful resource.



Jo Chantry – General Manager
Top-Consultant.com

CONTENTS

INTRODUCTORY REMARKS

OUR SPONSOR

SURVEY DEMOGRAPHICS

Mindbench

the leading specialist recruitment firm for management consultancy

www.mindbench.com



- CONTENTS
- INTRODUCTORY REMARKS
- OUR SPONSOR
- SURVEY DEMOGRAPHICS

The Demographics of the Survey’s Respondents and Top-Consultant.com’s Consulting Readership

Our responses for this survey were collected during October to December of 2020, adding to the thousands of data points we’ve previously collected that allow us to show compelling trend data for the sector.

Respondents’ Profile

Conducting this survey has allowed us to collect demographic data about our readership that may be of great interest to recruiters seeking to attract consulting staff through [Top-Consultant.com](https://www.top-consultant.com). Of note is the fact that 80% of the respondents are currently employed as Management Consultants.

Whilst most responding consultants were from the full-service global brands such as Accenture, Deloitte, EY and PwC, niche and top-tier firms such as McKinsey, Strategy&, PA Consulting and KPMG were also represented.

As job titles through the consulting profession vary depending on the employer, for clarity we use the following definitions throughout the report:

- Junior Consultant** – 1-3 years’ consulting experience
- Senior Consultant** – 3-5 years’ consulting experience
- Manager** – 5-9 years’ consulting experience
- Principal** – 9-12 years’ consulting experience
- Partner** – no definition required!



CONTENTS



INTRODUCTORY REMARKS



OUR SPONSOR

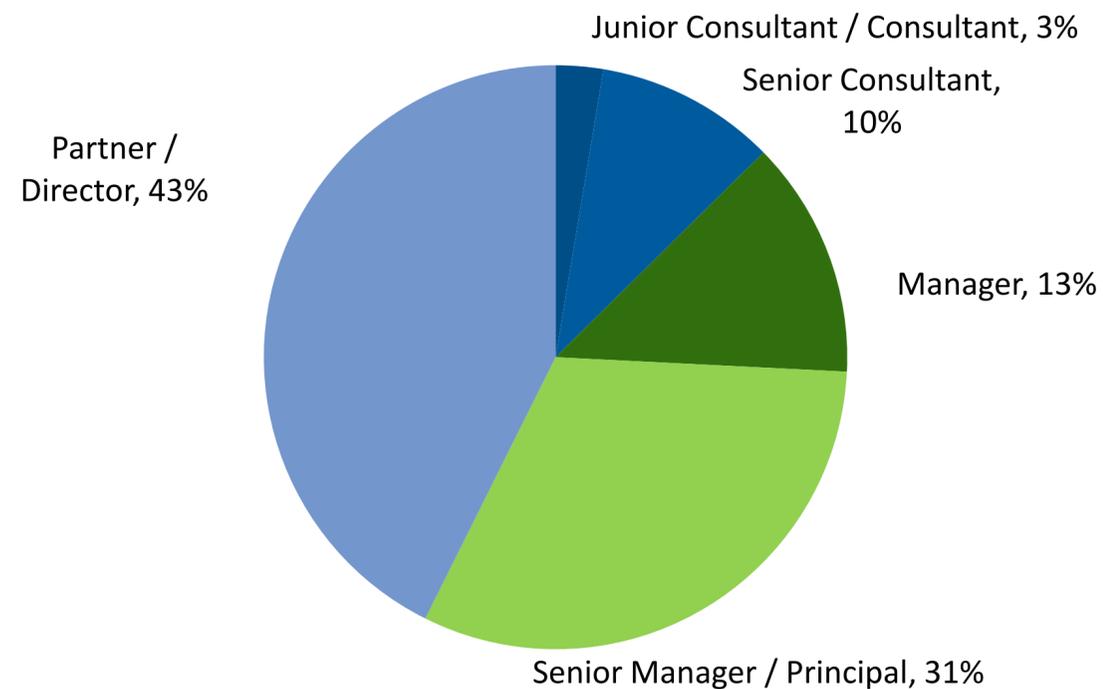


SURVEY DEMOGRAPHICS

The Demographics of the Survey's Respondents and Top-Consultant.com's Consulting Readership

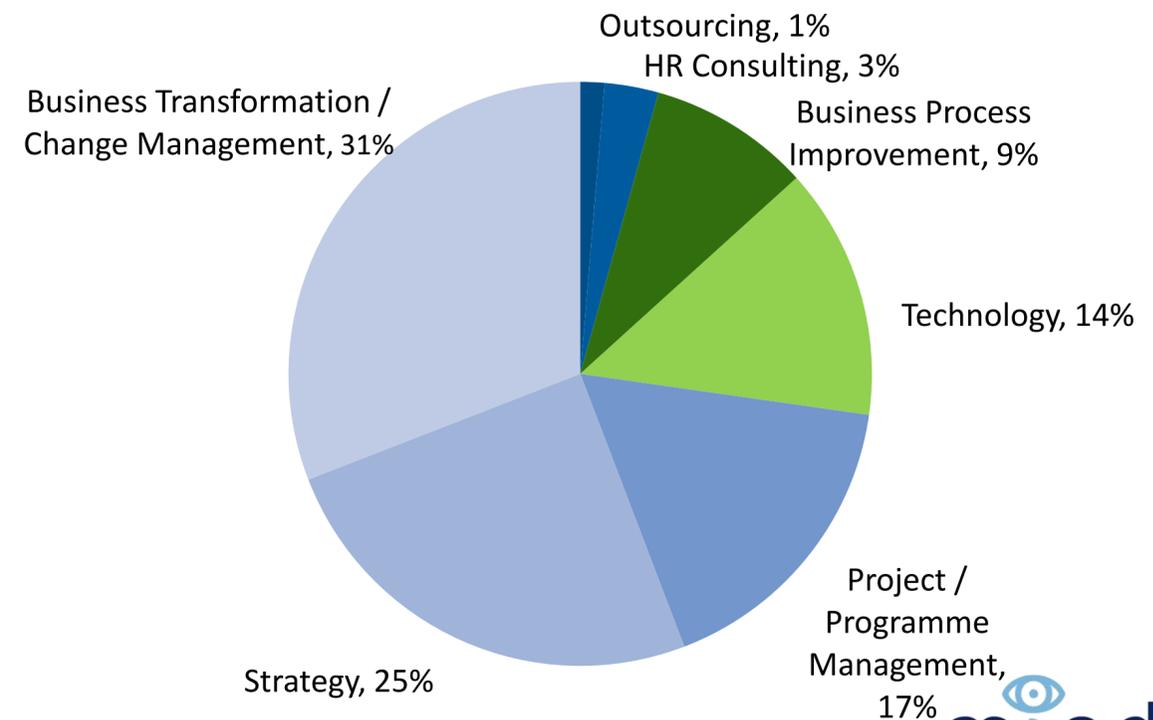
Seniority

We had participants from all five grades this year. The trend to employing reduced levels of Junior Consultants continues as firms source analysis from offshore teams.



Consulting Type

We asked respondents to identify the primary type of consulting work that they undertook, giving interesting insights into the types of consultants recruiters can reach through Top-Consultant.com.





CONTENTS



INTRODUCTORY REMARKS



OUR SPONSOR

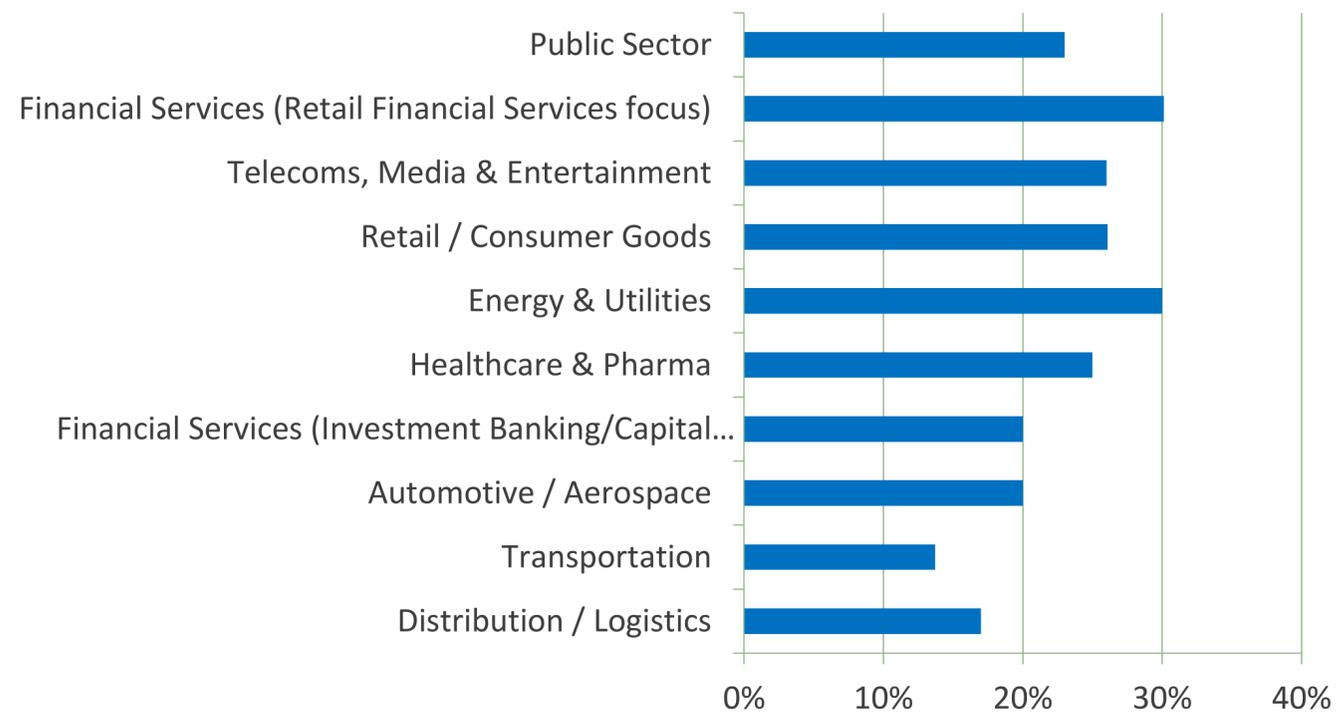


SURVEY DEMOGRAPHICS

The Demographics of the Survey's Respondents and Top-Consultant.com's Consulting Readership

Sector

Similarly, respondents were asked to record the industry sectors that they specialise in. Multiple choices were allowed hence the total exceeds 100.



Why not advertise for consulting candidates on Top-Consultant.com?

Our low-priced advertising packages allow you to see for yourself the types of results that recruiters are experiencing by placing their job listings on Top-Consultant.com

Click [here](#) to find out more

Commentary by Mindbench

In the three years since the last salary survey, the consulting industry has grown at a reasonable pace until the impact of the Covid pandemic from March 2020 caused a sizeable, if temporary, contraction. The industry reduced overall and some firms experienced a reduction in sales for several quarters. Other niche firms which focussed on digital transformation saw their work increase as the crisis forced a major rethink of business models and accelerated new approaches involving remote working and digital interfaces for consumers.

Since the end of 2020, the market has started to pick up, being led by deal related M&A activity. Whilst hiring was subdued for much of last year it has now resumed with both larger and smaller organisations returning to hiring at volume. We expect this trend to continue as the impact of the vaccination programme results in a lifting of lockdown restrictions and the wider economy returns to growth.

The report shows that salary rises have been modest over the last few years. We anticipate that this could change in the next years through both a post-pandemic economic bounce and some labour market shortages in technology, made worse by the bureaucracy within the post-Brexit immigration policies which include EU citizens with professional experience as potential "skilled migrants".

We expect digital disruption to continue to be the major theme of growth through the coming decade. The consultants who will be most in demand are those who combine tech related digital skills and analytics, with the people skills needed to facilitate change. Creativity will also be a skill which consulting firms increasingly seek out, as clients look for novel approaches to develop new services and secure revenues. We also anticipate that the "sustainability agenda" will gather pace and lead to consulting firms expanding their services around this area or developing new offerings for companies and government looking for advice.

Digital start-ups have come of age with many businesses in consumer, media or financial related areas over the last two decades having become very sizeable businesses. These companies are very focussed on fast growth as well as innovative approaches. They have looked to ex-management consultants as a key talent pool. We expect this trend to continue and consultants to be sought out to join scale-ups and start-ups.

It's a great time to be a management consultant. The range of career options for consultants in the UK and internationally has expanded over recent years and with it the competition for the best management consultants.

Richard Stewart,
Managing Director
[Mindbench](#)



COMMENTARY



OVERVIEW

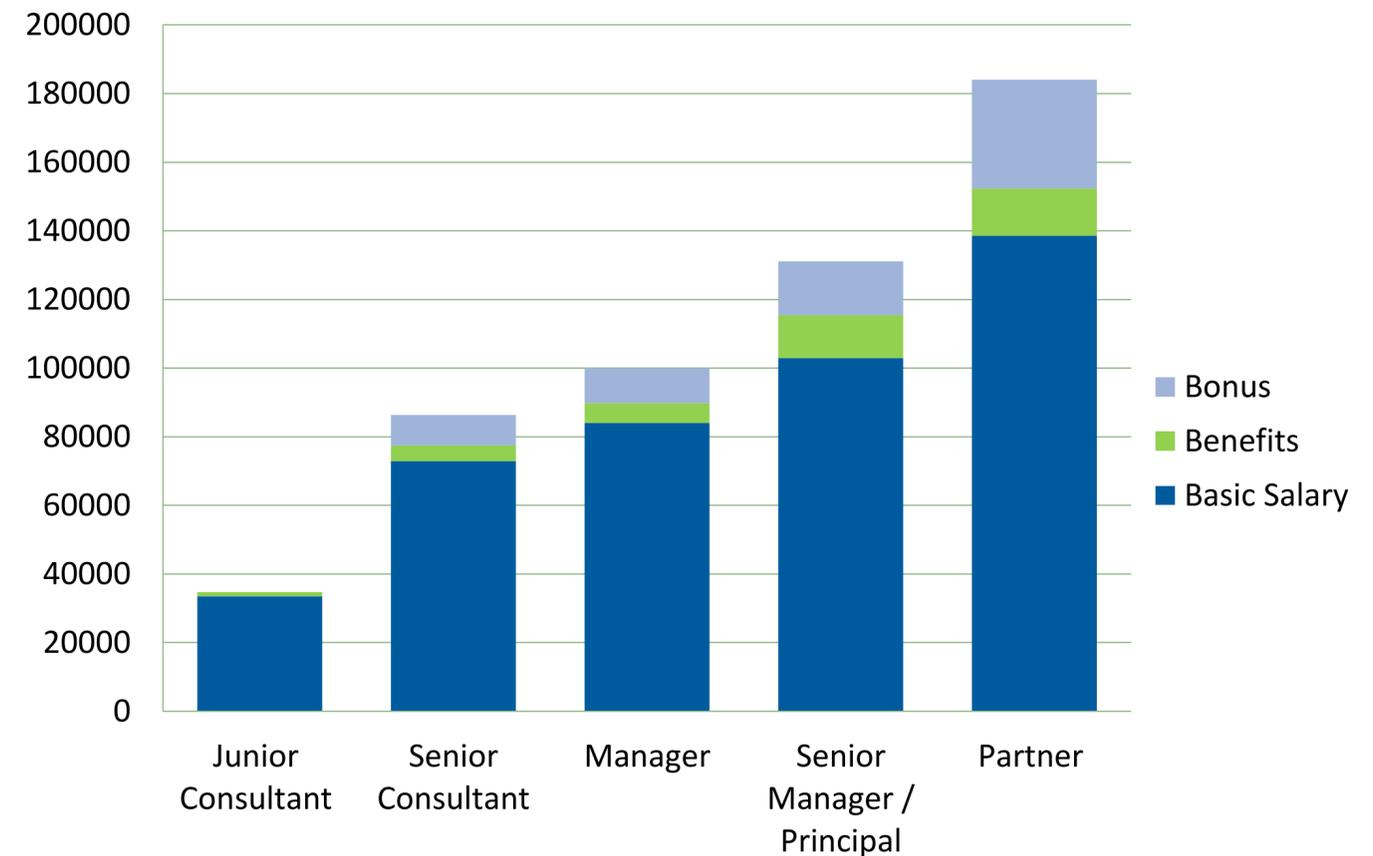


OTHER METRICS AND TRENDS

Overview of Consulting Salaries and Trends

Below we present the aggregate data for the UK consulting industry in 2020, illustrating the average packages by grade. Entry-level consultants earn just under £35k and can rise to an average of £184k for those who have worked their way up to Partner*.

TOTAL REMUNERATION BY LEVEL

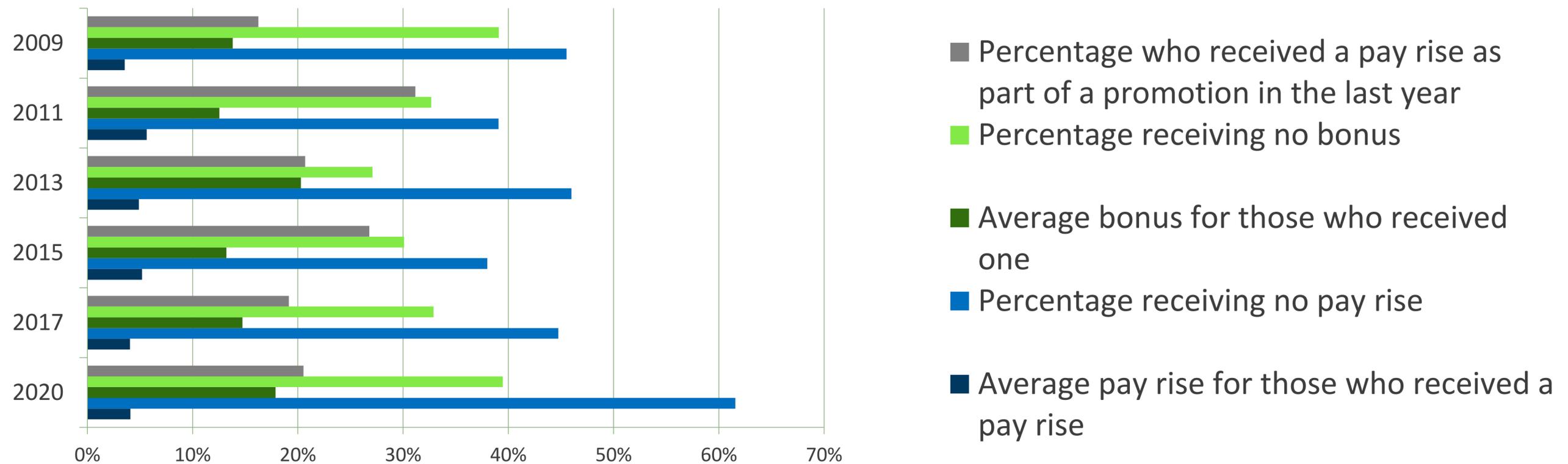


(*NB. The data of more senior partners whose remuneration is ~£800k is not collected in this survey.)

Overview of Consulting Salaries and Trends

The following core survey data from the 2009, 2011, 2013, 2015, 2017 and 2020 reports details the changes to the size and frequency of pay rise, bonus and promotion awards recorded over the last 10 years.

Pay And Bonuses Key Metrics 2009 to 2020



Salary levels by Seniority and Type of Consulting

Sponsored by



REMUNERATION



OUR SPONSOR - MINDBENCH



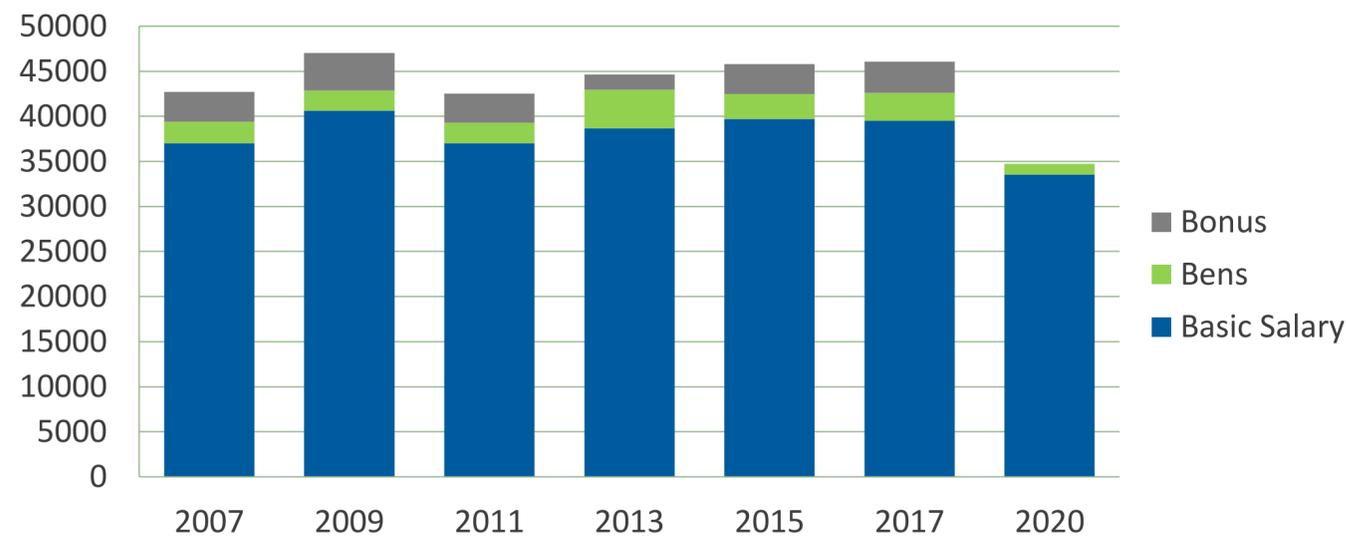
TALK TO TOP-CONSULTANT

Junior Consultants

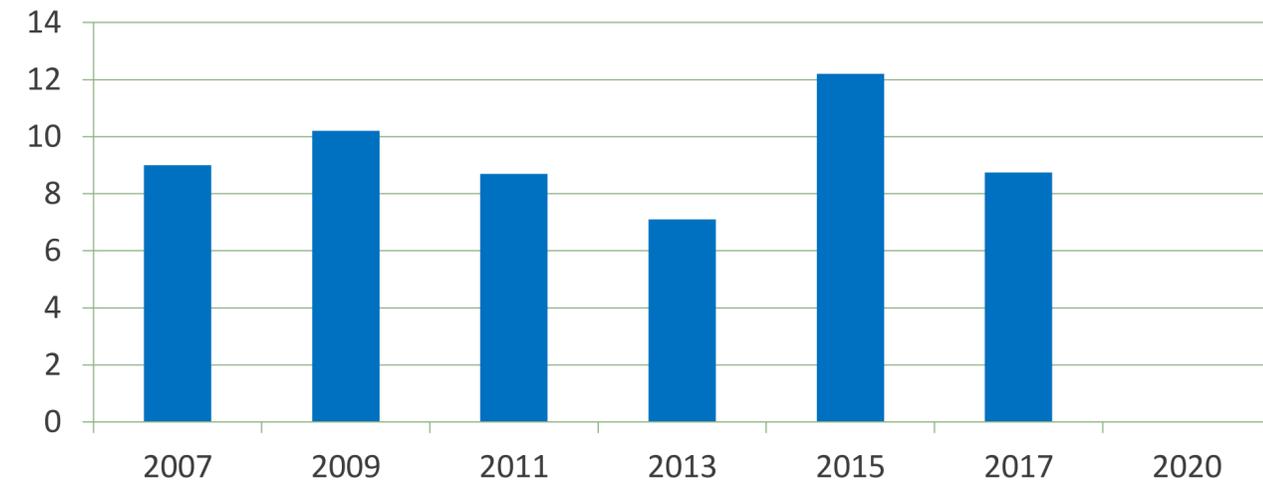
Total packages for Junior Consultants fell in 2020. None of our junior respondents received a bonus. This fits with the recent trend in the industry towards firms hiring experienced, client ready, consultants.

None of our respondents received a bonus in 2020.

Junior Consultants' Remuneration



Average Percentage Bonus For Those Who Received One



| | |
|--|------|
| Average pay rise for those who received a pay rise | 2% |
| Percentage receiving no pay rise | 60% |
| Average bonus for those who received one | 0% |
| Percentage receiving no bonus | 100% |
| Percentage who received a pay rise as part of a promotion in the last year | 40% |



REMUNERATION



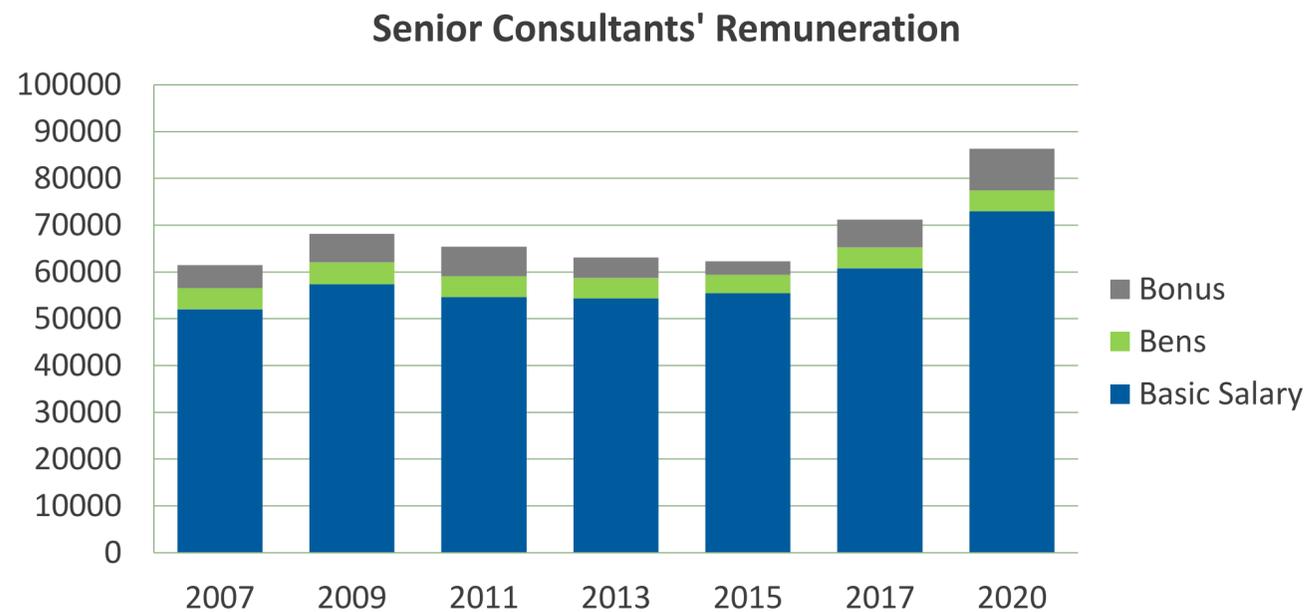
OUR SPONSOR - MINDBENCH



TALK TO TOP-CONSULTANT

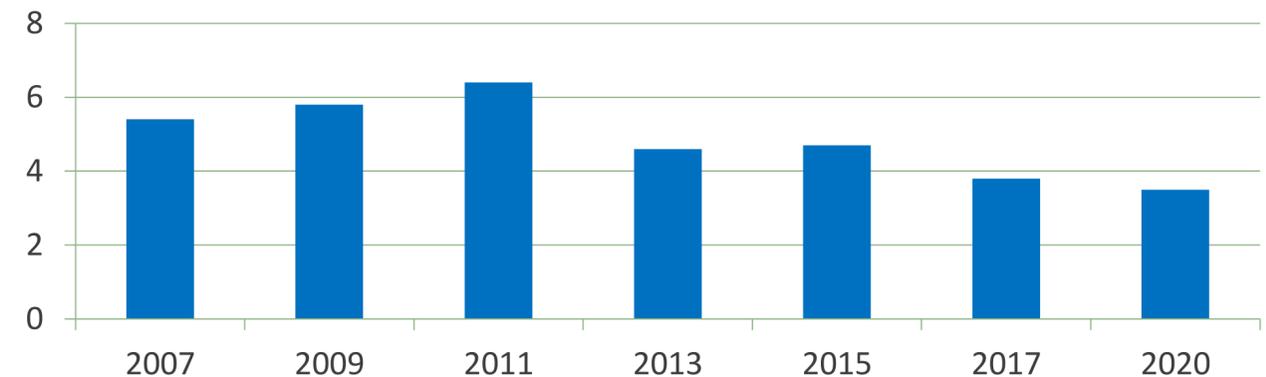
Senior Consultants

Senior Consultants' prospects have improved in this survey and they can now expect to be paid £86k p.a. Although the growth from 2007 is 40% it is still lower than the CPI in this period which has risen by 42% and explains why many Senior Consultants complain that they struggle to afford to live in UK cities.



Average pay rises for those Senior Consultants that received one have fallen to 3.5% of basic salary.

Average Pay Rise For Those Who Received A Pay Rise



| | |
|--|------|
| Average pay rise for those who received a pay rise | 3.5% |
| Percentage receiving no pay rise | 79% |
| Average bonus for those who received one | 12% |
| Percentage receiving no bonus | 58% |
| Percentage who received a pay rise as part of a promotion in the last year | 26% |



REMUNERATION



OUR SPONSOR - MINDBENCH



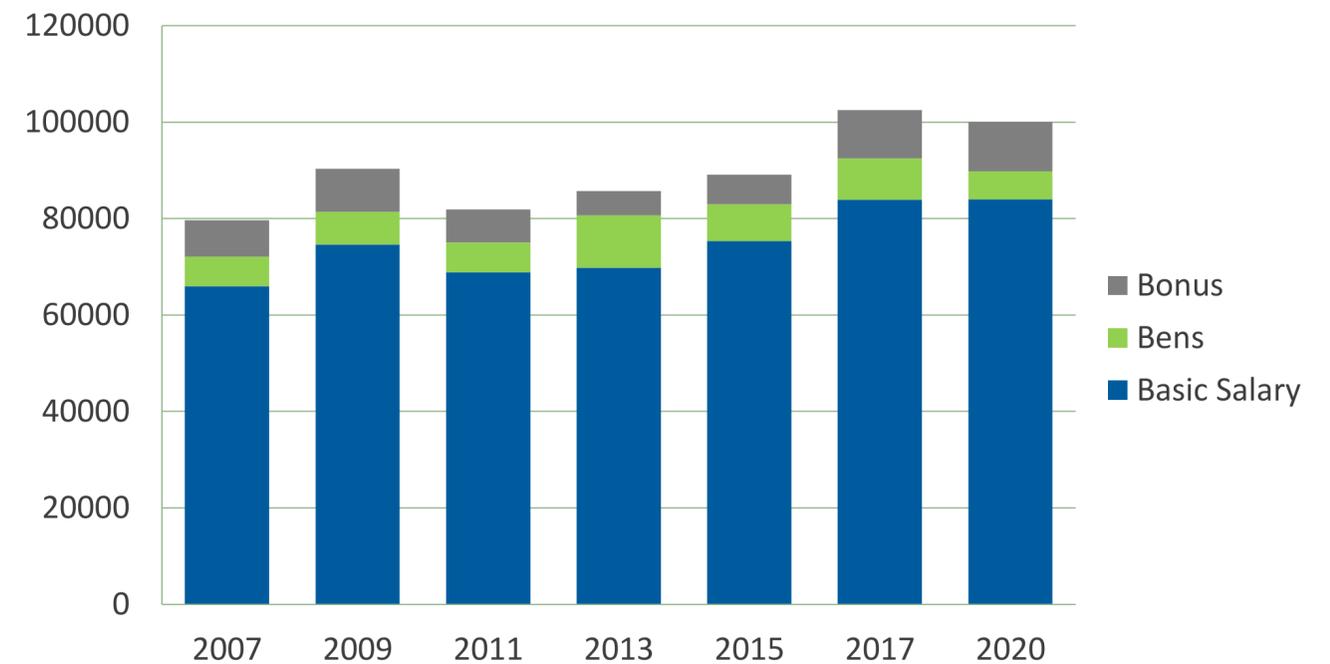
TALK TO TOP-CONSULTANT

Managers

Our manager survey respondents earn on average £100k. The total pay of Managers fell in the last three years and is up just 26% since 2007.

The poor growth in manager salaries reflects the current hiring focus on technical delivery and sales. As utilisation falls in a consulting firm the value of project management capabilities also falls in comparison with the immediately sellable skills of the senior consultants and sales skills of the partners.

Managers' Remuneration



| | |
|--|------|
| Average pay rise for those who received a pay rise | 3.8% |
| Percentage receiving no pay rise | 48% |
| Average bonus for those who received one | 12% |
| Percentage receiving no bonus | 32% |
| Percentage who received a pay rise as part of a promotion in the last year | 44% |



REMUNERATION



OUR SPONSOR - MINDBENCH



TALK TO TOP-CONSULTANT

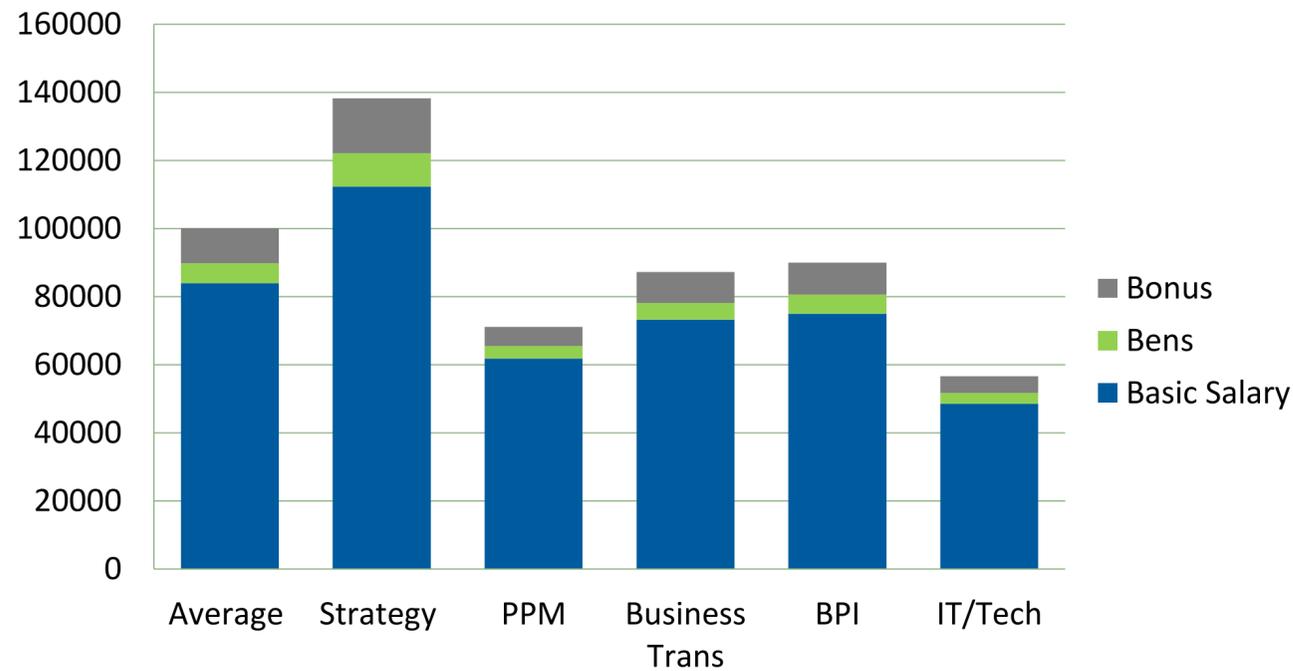
Remuneration by Function

Managers

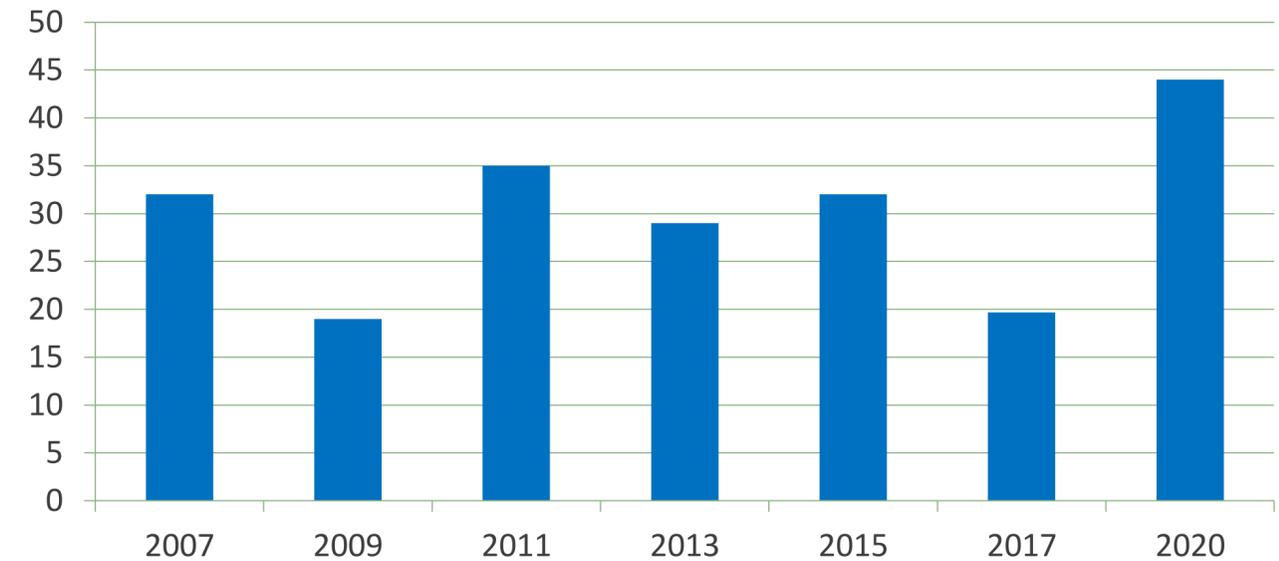
The differences between the average total rewards received by Managers with different functional specialisms vary significantly. Strategy specialists lead the pack and earn on average over £138k, whereas Managers who specialise in Project Management or IT earn on average £57k.

44% of respondents received a pay rise as part of a promotion in the last 12 months.

Managers' Remuneration By Function



Percentage Who Received A Pay Rise As Part Of A Promotion In The Last Year





REMUNERATION



OUR SPONSOR - MINDBENCH

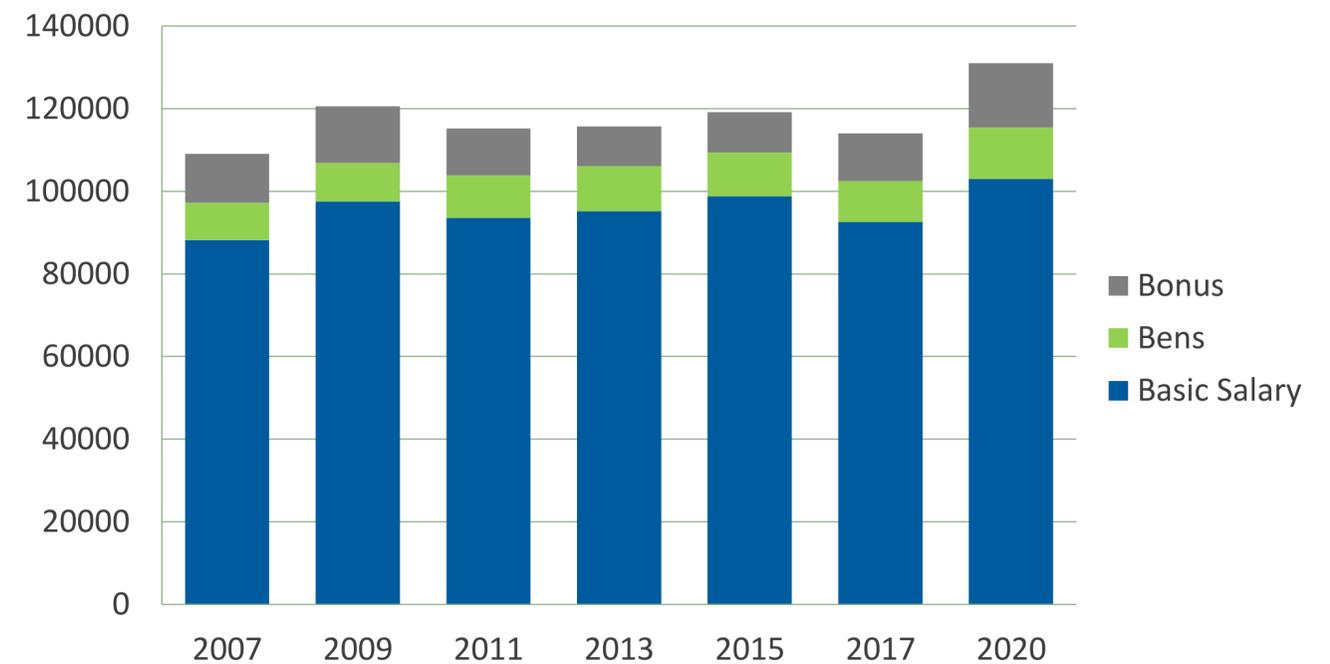


TALK TO TOP-CONSULTANT

Senior Managers / Principals

Principal salaries grew over the last three years to £131k. However their salary has only grown by 20% since we started doing these surveys in 2007. The penalty for not making partner in consulting is still as large as ever.

Senior Managers / Principals' Remuneration



| | |
|--|------|
| Average pay rise for those who received a pay rise | 3.2% |
| Percentage receiving no pay rise | 45% |
| Average bonus for those who received one | 15% |
| Percentage receiving no bonus | 33% |
| Percentage who received a pay rise as part of a promotion in the last year | 18% |



REMUNERATION



OUR SPONSOR - MINDBENCH



TALK TO TOP-CONSULTANT

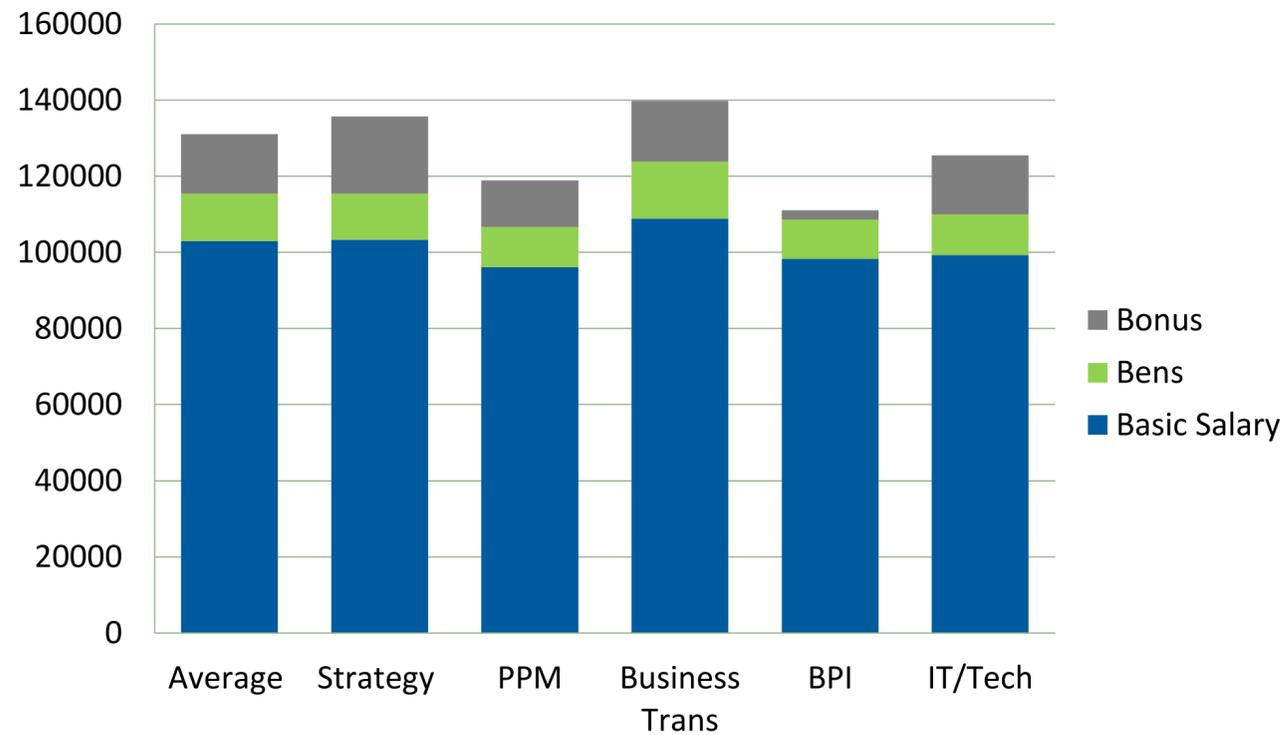
Remuneration by Function

Senior Managers / Principals

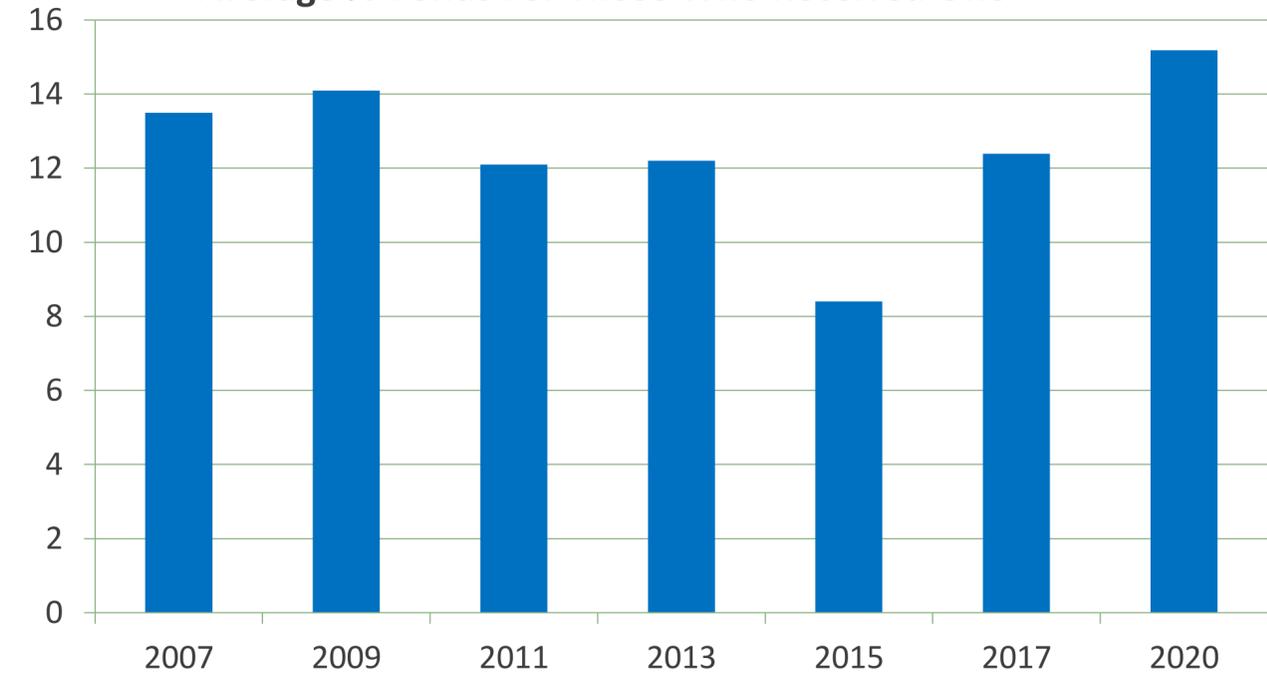
There is less difference between Principal salaries by practice than there is with Managers. Business Transformation and Strategy Principals are paid the most.

As a Senior Managers / Principal, if you are paid a bonus, you can expect 15.2% of your basic salary on average. This figure is the highest it has been since we started these surveys.

Principals' Remuneration By Function



Average % Bonus For Those Who Received One





REMUNERATION



OUR SPONSOR - MINDBENCH



TALK TO TOP-CONSULTANT

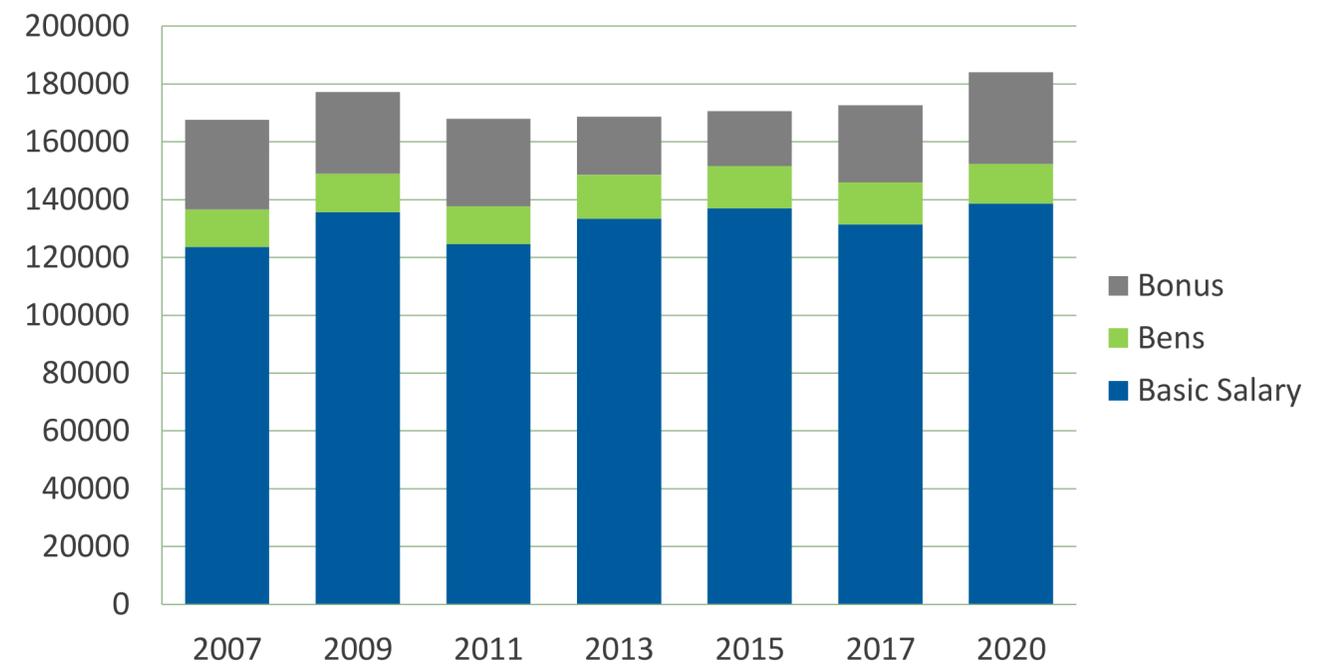
Partners*

£184k is the average total reward enjoyed by respondents at Partner level in 2020. This salary that has been effectively constant in nominal terms over the last ten years, representing a significant fall in real terms. In particular, partner pay has not kept up with executive pay at clients. The average FTSE chief executives now earn 386 times more than a worker on the national living wage. Joining the client in an executive role is now much more attractive to consulting partners than it was in 2007.

Unsurprisingly, Partners who received a bonus over the last 12 months enjoyed the highest percentage of their basic salaries of all the seniority grades.

*N.B. Please note that while there are of course partners earning more than £200k - £300k, as well as a small number of Senior Partners earning £800k+, these consultants don't typically take part in surveys.

Partners' Remuneration



| | |
|--|------|
| Average pay rise for those who received a pay rise | 5.9% |
| Percentage receiving no pay rise | 74% |
| Average bonus for those who received one | 23% |
| Percentage receiving no bonus | 38% |
| Percentage who received a pay rise as part of a promotion in the last year | 12% |



REMUNERATION



OUR SPONSOR - MINDBENCH



TALK TO TOP-CONSULTANT

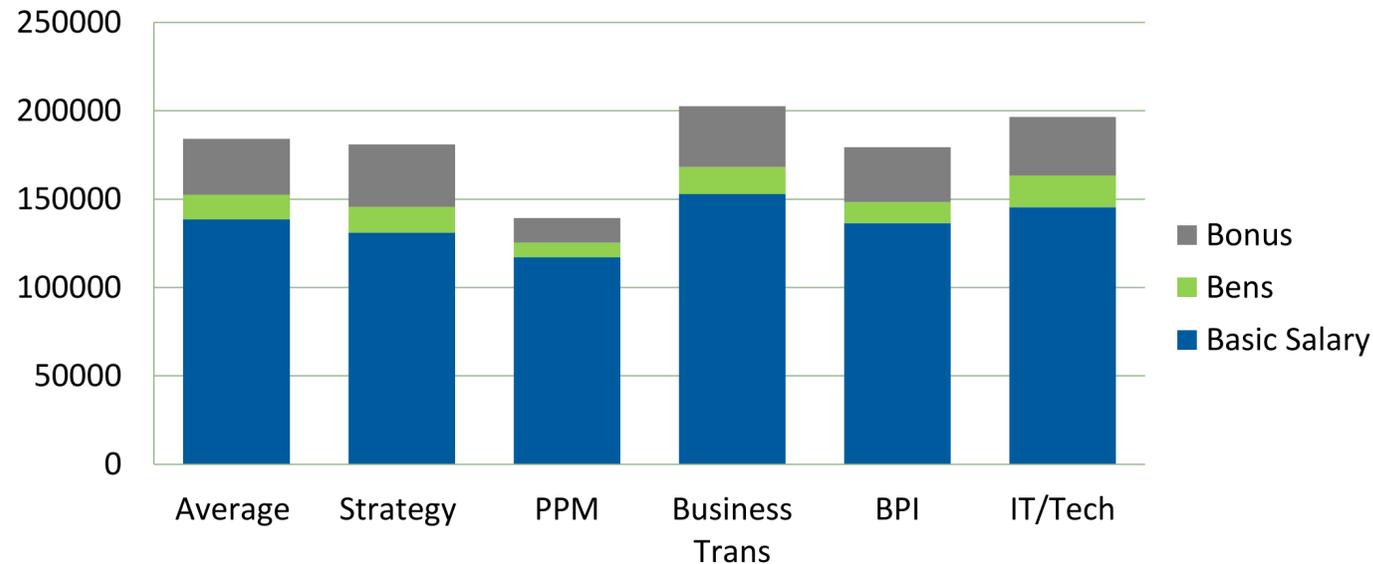
Remuneration by Function

Partners

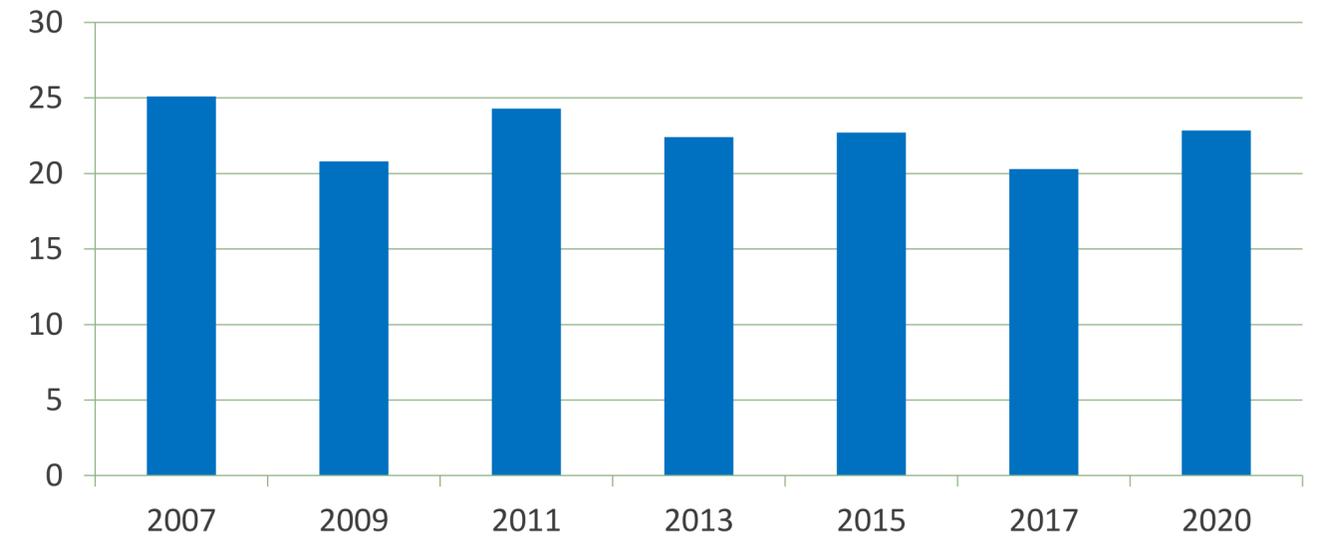
Partners who specialise in Business Transformation earn the largest reward, closely followed those who specialise in IT/Tech.

22.8% of basic salary is what Partners can expect to earn in 2020 as a bonus, if they are fortunate enough to receive one.

Partners'* Remuneration By Function



Average Bonus For Those Who Received One



*N.B. Please note that while there are of course partners earning more than £200k - £300k, as well as a small number of Senior Partners earning £800k+, these consultants don't typically take part in surveys.

○ REMUNERATION

○ **OUR SPONSOR - MINDBENCH**

○ TALK TO TOP-CONSULTANT

Whether you are a Manager considering your options, a graduate who is new to the industry, or a Partner considering how to grow your team, Mindbench could help you realise your objectives.

- Mindbench is the leading specialist recruitment firm for the management consultancy sector
- We partner over the long term with our consulting clients which include the top strategy consulting firms, the "Big 4", and boutique specialist firms
- We support FTSE 100, private equity, start-ups, government departments and charities and companies in hiring consulting talent on a permanent or project basis
- We cover all consulting functions and sectors, from Consultant to Partner grades
- Mindbench works internationally and we support recruitment initiatives through the UK, Europe, Middle East, Americas and Asia

If you are a candidate interested in discussing your options please upload your CV at www.mindbench.com



If you are a client and potentially interested in hiring for your team please contact our Managing Director,

Richard Stewart

on richard@mindbench.co.uk

We are proud to be associated with this salary benchmarking report and hope that its findings are useful for you..

REMUNERATION

OUR SPONSOR - MINDBENCH

TALK TO TOP-CONSULTANT

Contact the team at Top-Consultant.com

Find out how your firm could attract consulting hires by:

- Advertising on our websites
- Advertising in our consultancy-focused publications
- Accessing our CV databases
- Running bespoke careers events
- Posting your news to our readers
- Have us generate leads for your services.

Call to speak to one of our team

For more information on Top-Consultant's services or if you have any questions about the data in this report please contact

Jo Chantry

on **0207 667 6880**

or email at jo@top-consultant.com.

Request a brochure

Alternatively, please feel free to request a PDF brochure detailing our services. You may do this online by visiting [this weblink](#).

Email us

Feel free to email our Customer Services team with any questions you may have using this address customer.services@top-consultant.com.

