

# Consultancy Salary Review 2022



**Prism**

Executive Recruitment

## Prism Executive Recruitment: Consultancy Salary Review 2022

In Q2 2022 we undertook our annual review of UK Management Consultancy salaries. This was compiled using a variety of sources including our clients and candidates and other recruiters, as well as additional information both private and published (we don't include large firm Partner and other equivalent Executive grades).

Many firms cancelled bonuses, salary rises and promotions in 2020: staff were unimpressed and as a result, many candidates sought to make up lost ground in 2021 and since.

Our experience is that candidate aspirations around a salary and grade rise on moving jobs are bullish, especially at junior and mid-tier levels. The primary drivers for a move remain career progression, better experience, new challenges, better culture/values and work/life balance. Or from necessity: redundancy, lack of interim work, worries about job security. However, a pay and/or grade increase is much more often mentioned as a key consideration than in the past.

There have also been notable candidate shortages: little obvious sign of a "Great Resignation" but a significant increase in demand so many job seekers have multiple options.

As a result, there have been significant pressures on management consultancy firms. Perhaps unsurprisingly this has resulted in grade inflation rather than salary rises. Typically, consultants are being promoted quicker and sooner and so the amount of relevant experience required to get to a specific level is markedly less, especially at less senior grades. This is reflected in our revised grading descriptions.

Prism's experience is that employers, both large and small, have been cautious with respect to salary rises to retain existing employees or as a means of tempting new staff. However, some firms have been forced to reconsider their salary ranges in the light of weak pipelines of applicants with

a relevant background and skills and some increase in attrition. There has at the time of writing been little reference to keeping up with inflation apart from the widely reported [PwC rises](#).

There remains a confusingly wide range of salaries at any given grade with top packages typically mainly to be found in the "Big 4" and other brand name advisory and strategy firms.

### This summarises our findings (see definitions below):

Grade	Base Salary Range	Median
Consultant	£40,000-£60,000	£50,000
Senior Consultant	£50,000-£80,000	£65,000
Managing Consultant/Manager	£70,000-£110,000	£85,000
Principal Consultant/Senior Manager *	£85,000-£130,000	£110,000
Director	£110,000-£180,000	£140,000

These relate to the base salary of consultants working in or around London (see later comment re regional variation). The upper c10-15% of the above bands typically relate to the very top end of the experience range or employees of the major strategy consultancies or the highest performing consultants in "Big 4" firms.

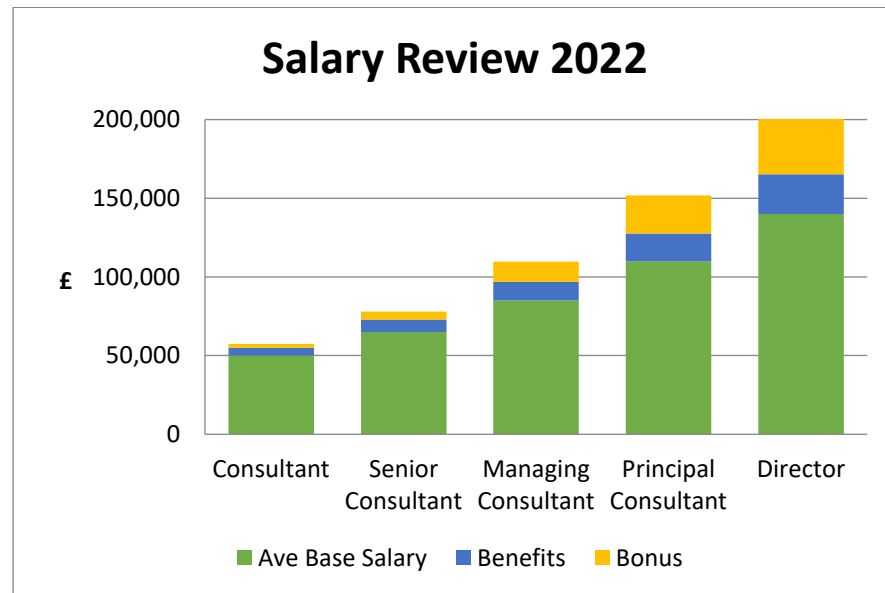
There is considerable variation in the value and composition of the benefits package and variable pay component. The equivalent cash value of benefits on top is typically 10-20% of base salary at Consultant and Manager grades with a tendency for more senior levels to be more generous, including car

allowances and greater pension contributions. Holidays are typically 25 days as the minimum, up to a maximum of 30 days, but with some outliers below this. Extra days can often be bought from the benefits package.

Bonuses range from 0-10% at junior levels up to c. 40% at the most senior grade (occasionally more and sometimes “uncapped”). Bonuses are usually dependent on a mix of personal objectives and those of the firm and at more senior levels such objectives are frequently weighted towards sales.

A ‘wildcard’ is travel expenses policy: if an employer can denote a given employee as ‘home based’ for the purpose of expenses then this can be worth a considerable amount to the employee depending, of course, upon their location. Excepting this point there are few noticeable regional differences in remuneration.

Since 2020 there has been a dramatic shift in expectations regarding Working From Home and reduced mobility in consulting, but it is not yet clear whether or how that will influence salaries.



*\*We have seen examples of Big 4 Senior Managers with base salaries of more than £140,000: these outliers appear to relate to firms attempting to keep staff by paying them Director level salaries when they are not able to promote them. Conversely there are also Big 4 staff on £85,000 or less who have the title Senior Manager but neither the salary nor the sales involvement, again probably a retention strategy. Finally, in mid-2022, an example of a newly promoted Big 4 strategy Senior Manager with only 6 years’ post graduate experience!*

**Definitions of consulting levels:**

**Consultant:**

At this level management consultants will typically have 2-5 years of experience (below this may be one, or two, postgraduate grades).

**Senior Consultant:**

With at least 3 years’ post degree experience and perhaps up to 7 years, these are more experienced delivery consultants. They may have experience of leading small teams, often perhaps as a workstream in a larger project. They could have some exposure to business development (i.e. contributing to bids/proposals) however they are overwhelmingly a chargeable delivery resource with high utilisation.

**Managing Consultant/Manager:**

At this level consultants will have 5-10 years’ total experience, almost certainly including several years in consulting. They will manage small to medium-sized consulting engagements with typically 2-5 consulting staff and possibly also a similar number of client staff. Their focus is as a chargeable resource, with perhaps 70-85% utilisation. They may have some business development responsibilities and could be involved in sales, particularly “sell on”, but not carry a target.

### Principal Consultant/Senior Manager:

Consultants at this level will typically have a minimum of 9 years' experience, with several years in consulting. They would be able to operate independently at a senior level with clients, including managing major engagements or multiple projects, and may have sales and business development targets. They might "own" relationships, although probably not the overall account. Utilisation targets may range from c. 50%-75%.

### Director:

These are very experienced and successful consultants with at least 13 years' experience, and often more than 20. These roles have all the attributes of a Principal Consultant and will also usually have formal sales or revenue targets, perhaps owning account relationships and with practice leadership responsibilities for a sector or service line – either "virtual" or direct staff management. Utilisation is typically 30%-60%.

In smaller firms these might be the most senior consulting employees (apart from the owner(s) or the MD) and could be termed "Partner". In mid-sized consultancies or the consulting arms of IT/outsourcing businesses they might report to the consulting leadership team or the Head of Consulting.

On occasion in larger firms these are not sales/revenue roles but grades for Subject Matter Experts, frequently with the explicit understanding that further promotion, i.e. to Partner, is unlikely.

In the Big 4 and major advisory firms the Partner grades would be above this. Partners would own the larger accounts and have higher sales targets.



NB: we have not attempted to cover all variations of role terminology. For example a Manager can be a Managing Consultant, or Principal Consultant. While the grade above that, of Senior Manager, can ALSO be called Managing Consultant or Principal Consultant!

*If you would like to discuss any of the above, please contact Chris Sale, Managing Director, Prism Executive Recruitment on 01344 636 426 or [csale@prismrec.co.uk](mailto:csale@prismrec.co.uk)*

*For more information on our services please visit [prismrecruitment.co.uk](http://prismrecruitment.co.uk)*