

Consultancy Salary Review 2024



Prism

Executive Recruitment

Prism Executive Recruitment: Consultancy Salary Review 2024

In February 2024 we undertook our annual review of UK Management Consultancy salaries. This was compiled using a variety of sources including our clients, candidates and other recruiters, as well as additional information, both private and published.

Our experience is that in 2022 and into 2023 candidate aspirations around a salary AND grade rise on moving jobs were bullish, especially at junior and mid-tier levels. A pay/grade increase was much more often mentioned as a key requirement in the next role than in the past.

However in 2023 and into 2024 the candidate shortages have evaporated and there have been well publicised redundancies from all the major firms: strategy, advisory and M&A. While this has been focussed on the early career levels there has been some thinning out at more senior grades as well.

Overall are we in a “Groundhog Day” scenario, reminiscent of 2020-2022? A potentially significant downturn, where redundancies and salary/bonus/promotion freezes are followed by high attrition and a scramble for staff?

Only time will tell but Prism’s experience is that employers should be looking hard at their workforce and the potential for significant staff turnover once the market turns. As it surely will!

As the other main reasons for a move also remain: career progression, better experience, a new challenge, better culture/values and work/life balance.

There remains a confusingly broad 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 range has, if anything, increased and we often encounter consultants with widely different levels of experience and at different grades earning the same salaries.

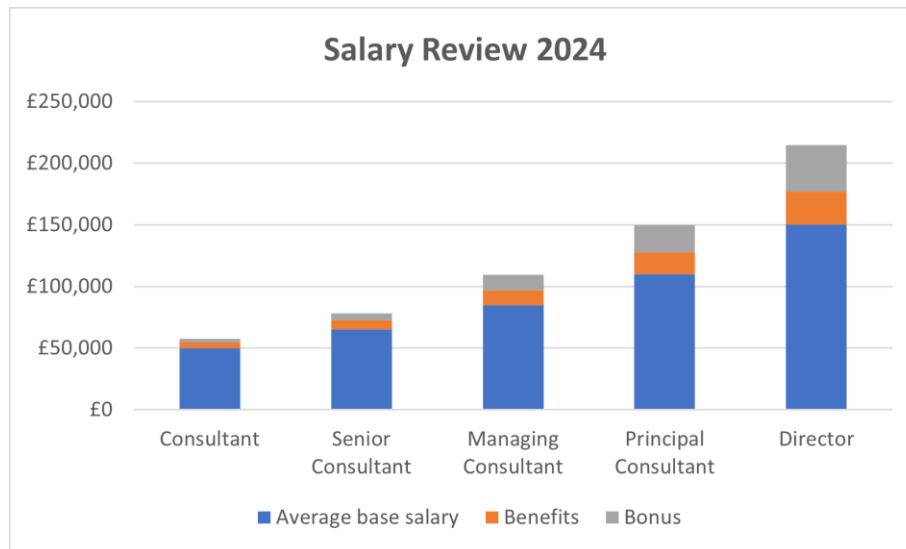
This summarises our findings (see definitions below):

Grade	Base Salary Range	Average
Consultant	£40,000-£65,000	£50,000
Senior Consultant	£50,000-£80,000	£65,000
Managing Consultant/Manager	£70,000-£110,000	£85,000
Principal Consultant/Senior Manager	£90,000-£140,000	£110,000
Director	£120,000-£180,000	£150,000

(We don’t include large firm Partner and other equivalent leadership grades)

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

A ‘wildcard’ is the 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. Apart from this there are few noticeable regional differences in remuneration.



Since 2020 there has been a dramatic shift in employees' expectations regarding Working from Home and an expectation of reduced mobility in consulting. However, perhaps surprisingly, this has not had any noticeable effect on salaries. Equity or share options feature across levels and all sizes of firm. However their value is typically greatest at the most senior levels and is often a reward or incentive for strong sales and revenue generation.

We have seen small numbers of major firms' Senior Managers with base salaries of more than £140,000: these outliers have not been reflected above and 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 some staff on £85,000 or less, even in large firms, who have the title Senior Manager but clearly neither the salary nor the sales involvement.

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 "Analyst" 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 at least 5 years' total experience and perhaps up to 10, 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 9-10 years' experience, usually 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% but on occasion higher (with reduced sales/revenue expectations).

Director:

These are very experienced and successful management consultants with at least 13 years' experience, and often more than 20. These roles have all the attributes of a Principal Consultant and will almost always 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, often in larger firms, these were not sales/revenue roles but grades for Subject Matter Experts, frequently with the explicit understanding that further promotion, i.e. to Partner, was unlikely. They are however now rare.

In the Big 4 and major advisory firms the Partner grades are 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 chris.sale@prismrec.co.uk

For more information on our services please visit prismrecruitment.co.uk