

2020 North American Private Equity Investment Professional Compensation Survey



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A message from the authors

Welcome to our *2020 North American Private Equity Investment Professional Compensation Survey*. Together with our biannual survey of private equity operating professionals, this report provides a comprehensive picture of the compensation that North American private equity executives are currently receiving.

For this report, Heidrick & Struggles compiled compensation data from a survey of 785 investment professionals in North America. Against the backdrop of the global COVID-19 pandemic, we explored a range of topics on compensation and executives' backgrounds.

We hope you enjoy reading the survey, which remains the only one of its kind. As always, suggestions are welcome, so please feel free to contact us—or your Heidrick & Struggles representative—with questions and comments.

With warmest regards,



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On confidentiality

The North America private equity compensation survey, 2020, was conducted on an anonymous basis for individuals and their employers, and Heidrick & Struggles has removed the data relating to identity from reported compensation figures.

Acknowledgments

The authors wish to thank **Mohd Arsalan** for his contributions to this report.

Methodology

In an online survey, we asked participants to provide compensation data from 2018, 2019, and 2020. All data collected is self-reported by private equity investment professionals and has been aggregated to evaluate trends in compensation packages, including base salary, bonus, and carried interest plans (carry).

Responses from 785 participants are included in the survey results.

In each compensation table, we report the lowest response, lower quartile (25th percentile), mean, upper quartile (75th percentile), and highest response. Please note that the mean can be influenced by particularly high or low data points, especially in small

sample sizes. Many firms that use compensation surveys set their compensation targets around or above the upper quartile (75th percentile).

Carried interest is calculated using “carry dollars at work”—the expected return on total carry participation across all vehicles, based on achieving a net 2x return (above hurdle and after fees) in a vehicle charging a 20% performance fee. For example, 7 points (700 bps) of carry (out of a possible 100) in a \$500 million fund with 20% carry would result in \$7 million of carry dollars at work ($500 \times 0.2 \times 0.07 = 7$).

All compensation figures in tables and charts are reported in USD thousands unless otherwise noted.

A note on titles

While title structures vary according to firm, we have divided respondents into five groups based on level and responsibility.

Managing partner

Most senior level at the firm. Typically, although not always, one of the founders.

Partner/managing director

Proven investment track record. Experienced deal maker and board member.

Principal

Investment professional with early experience originating and leading their own investments. Accomplished executor with experience on board of directors. Leads and manages deals for the firm. Personal track record not yet extensive.

Vice president

Deal “quarterback.” Responsible for high-level company and business plan analysis. Leads due diligence and manages service providers and financing. Develops proprietary network of contacts for due diligence and deal-flow generation. Works closely with the portfolio and might have board exposure or a board seat.

Associate/senior associate

Responsible for analyzing companies and business plans, conducting due diligence, and working with service providers under the direction of the vice president.

Executive summary

This year's survey includes a review of 2019 and year-to-date 2020 activity in North American private equity (PE), our thoughts on the major hiring trends for investment professionals, and an exploration of the composition of 2020 compensation packages for investment professionals.

While we can already see the impact of COVID-19 on the PE industry, the pandemic has not yet proven as damaging to the sector as the global financial crisis of 2008–2009. Deal-making activity and deal exits are both down, but the industry has not fallen into the paralysis that marked the earlier crisis. It's also important to note that PE started the year in a strong position: Last year was the strongest year we have seen in investment professional recruiting in 20 years. Hiring activity fell sharply in the first quarter of 2020 but rebounded somewhat in the second quarter.

Investment professionals with technology expertise, particularly in software, continue to be in high demand, as do those with fintech acumen. We have also found strong demand for technology professionals outside of pure-play tech firms as the need for digital dexterity continues to rise in all sectors. It's notable, too, that executives in the industry have not shied away from exploring new opportunities, treating the pandemic as an inflection point for reevaluation.

As was the case last year, the so-called mega-funds (\$5.00 billion+) continued to drive the growth of private equity fundraising. Pitchbook notes in its Q2 report that several funds closed in the quarter and that there were several launches.

Compensation for PE investment professionals in 2020 remained largely unchanged. More than half of respondents (57%) reported an increase in base salary from 2019 to 2020, but for 40% of those who earned a higher base, the increase was modest: 10% or less. Only 64% of respondents reported an increase in bonus from 2018 to 2019, down from the 77% who saw an increase from 2017 to 2018.

The mean total cash compensation remained strong for firms of all sizes. However, the substantial gains seen by managing partners at firms in the \$6.00 billion to \$9.99 billion range in 2018 were not repeated in 2019.

As we have seen in the past, most bonuses are discretionary and paid in December. Carry remains uncommon at junior levels, and it vests

on a fund basis, rather than a deal-by-deal basis. Thirty-three percent of respondents said that the maximum amount of carry vests when a fund closes, but vesting is spread fairly evenly across other years. Of note this year: The percentage of managing partners facing clawback provisions rose to 55%, from 43% in 2019.

Many private equity firms offer their investment professionals an option to co-invest, and some provide them with loans to do so. In 2020, 44% or more of all associates/senior associates, vice presidents, principals, and partners/managing directors reported that they had been provided with co-investing leverage, up from 40% in 2019.

State of the private equity market

The private equity market in 2020, just like almost every other aspect of global economic activity, is shaping up to be significantly different than that of 2019 because of the COVID-19 pandemic. According to the National Bureau of Economic Research, the United States officially entered a recession in February 2020, ending the longest period of economic expansion in more than 150 years.

Pitchbook data for the first half of 2020 indicates that the velocity of PE deal making overall slowed in both of the first two quarters from the same periods in 2019. Firms closed on 2,173 deals totaling \$326.7 billion in the first half, which put total deal value nearly 20% below its levels of the first half of 2020.¹

Pitchbook has also found that many general partners have sought to pull out of previously agreed-upon deals. Median deal size has fallen for the first time in five years and exit

activity has collapsed as PE firms elected to hold onto investments even as they sharply marked down their portfolio companies. During the first half of 2020, US PE firms closed 392 exits, down from 1,099 for all of 2019. The value of exits in the most recent half was \$134.8 billion, down from \$365.2 billion for all of 2019. The news elsewhere was equally grim: Pitchbook found that announced global PE exits were down approximately 70% in May 2020 compared to May 2019. Pitchbook expects these trends to continue.

A bright spot in the current market is that PE fundraising momentum remains healthy even if it is off 2019's torrid pace. Pitchbook noted that the second quarter of 2020 also saw the launch of several mega-funds, and the US Department of Labor clarified rules around including PE funds in diversified funds, potentially giving PE access to retail accounts, though

the change is not expected to immediately result in major changes to such funds.

Before COVID-19 became widespread, 2020 had been shaping up to be a very robust market for first-time funds and spin-out groups. We see two potential areas of growth for the future: social impact investing and special purpose acquisition companies (SPACs). SPACs may be particularly well-suited to the current moment because they allow a PE firm to take two years to find a target acquisition.

The outlook for the second half of 2020 is cloudy. While some data would seem to indicate that the worst of the economic crisis is behind us, the rate of coronavirus infections and deaths remain high in many parts of the United States. PE activity may also be affected by greater uncertainty around the November presidential and congressional elections than might have been anticipated at the start of the year.

¹ Pitchbook, *US PE Breakdown: 2Q 2020*, July 9, 2020, pitchbook.com.

Hiring trends

Last year was the strongest year we have seen in investment professional recruiting in 20 years. COVID-19 has put a damper on that growth, but we are still seeing an active market, notably more active than what we saw during the global financial crisis almost a decade ago.

We believe that there are two reasons for this. First, the PE industry is much larger now than it was during the financial crisis, and because that crisis was financial in nature, there was an overall paralysis in financial services. Now, while there is most definitely uncertainty in the industry, it is not frozen. In particular, with technology becoming ever more important, firms are actively seeking professionals with pure-play technology experience to help them evaluate prospective investments in that sector and to lend their expertise in other technologically enabled businesses. Second,

interest rates remain historically low, and the relatively strong stock market is also likely contributing to continued PE hiring. If PE hiring continues at its current pace, which is not a given, it could surpass activity in 2020.

Executives have not shied away from exploring new opportunities, treating the pandemic as an inflection point for reevaluation. Some may be looking to move away from firms that had invested in sectors that have been hit hard by the pandemic, such as retail and other consumer sectors.

While our survey did not include a question about diversity, we have seen increased attention being paid by PE firms to ethnic and gender diversity in recent years. Yet there remains little growth in diversity among PE executives. We believe that firms are unlikely to make progress on this front in their upper

management ranks until they commit to hiring candidates from outside the sector.

One of the trends we observed in last year's data, founder retirements, appears to be on pause for the moment. While firms continue their succession planning and management development, we are not seeing the expected wave of founder retirements in 2020 thus far. The change may not be entirely related to the pandemic. Instead, we believe the reasons lie in firm growth, as well as the adoption of new strategies and new fund formation.

Compensation trends

Compensation for PE investment professionals in North America in 2020 remained largely unchanged from 2019. This continues a trend that we observed in 2019.

More than half of respondents (57%) reported an increase in base salary from 2019 to 2020, but for 40% of those who earned a higher base, the increase was modest: 10% or less.

There was also a falloff in respondents reporting an increase in bonus from 2018 to 2019. Only 64% reported such an increase, down from

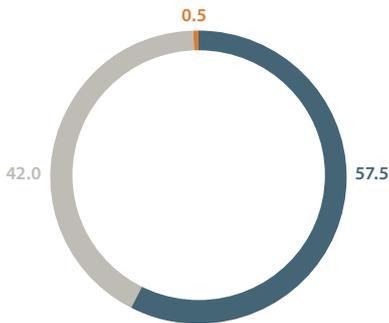
77% from 2017 to 2018. Of those who reported an increase in bonus, 32% said the increase was between 11% and 20%, while 29% saw an increase of between 21% and 50%. Only 17% saw an increase of more than 50%.

The mean total cash compensation by assets under management (AUM) remained strong for firms of all sizes, although the substantial gains seen by managing partners at firms in the \$6.00 billion to \$9.99 billion range for 2018 were not repeated in 2019.

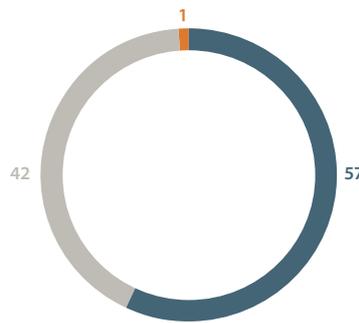
General observations on compensation trends (%)

■ Increase ■ No change ■ Decrease

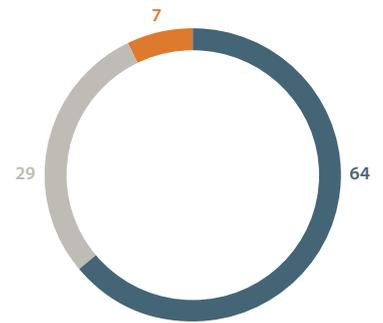
Base 2019 vs. 2018



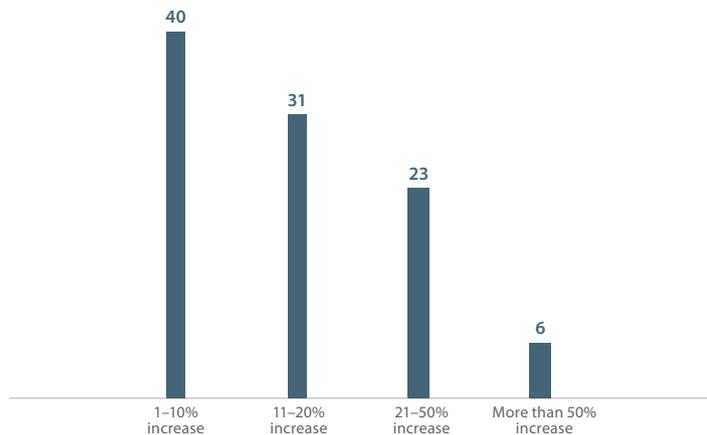
Base 2020 vs. 2019



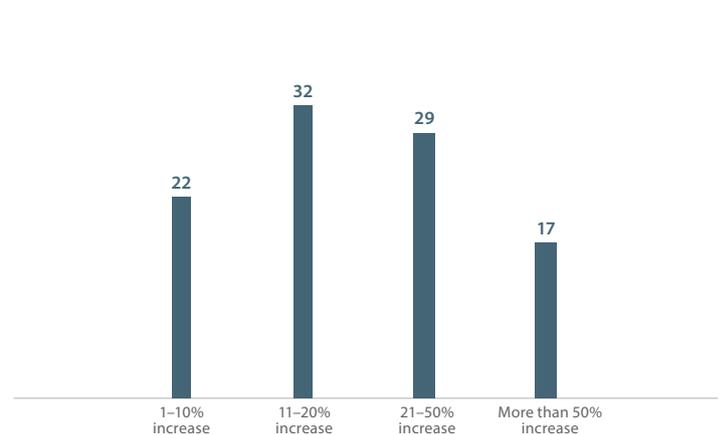
Bonus 2019 vs. 2018



Breakdown of respondents reporting an increase in 2020 base (%)



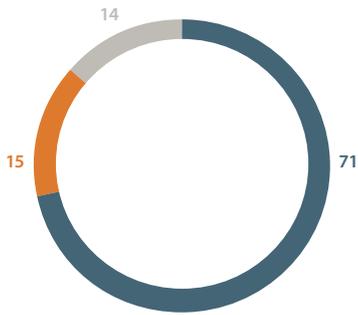
Breakdown of respondents reporting an increase in 2019 bonus (%)



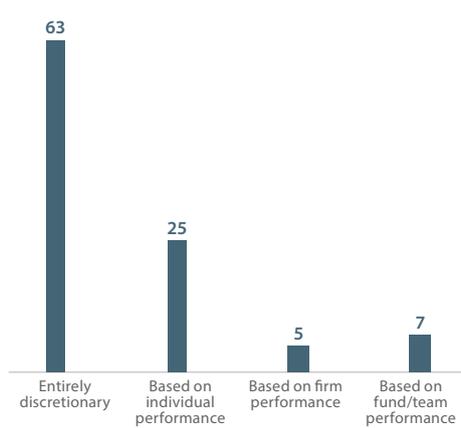
Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 784 investment professionals

Bonus plan (%)

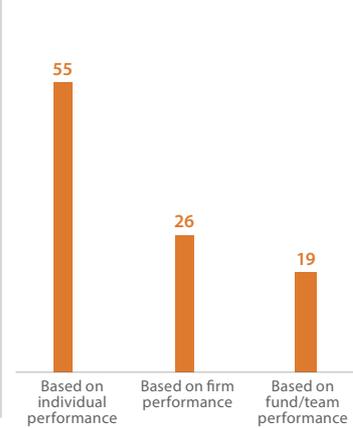
■ Discretionary ■ Formulaic ■ No plan



Discretionary (71%)



Formulaic (15%)

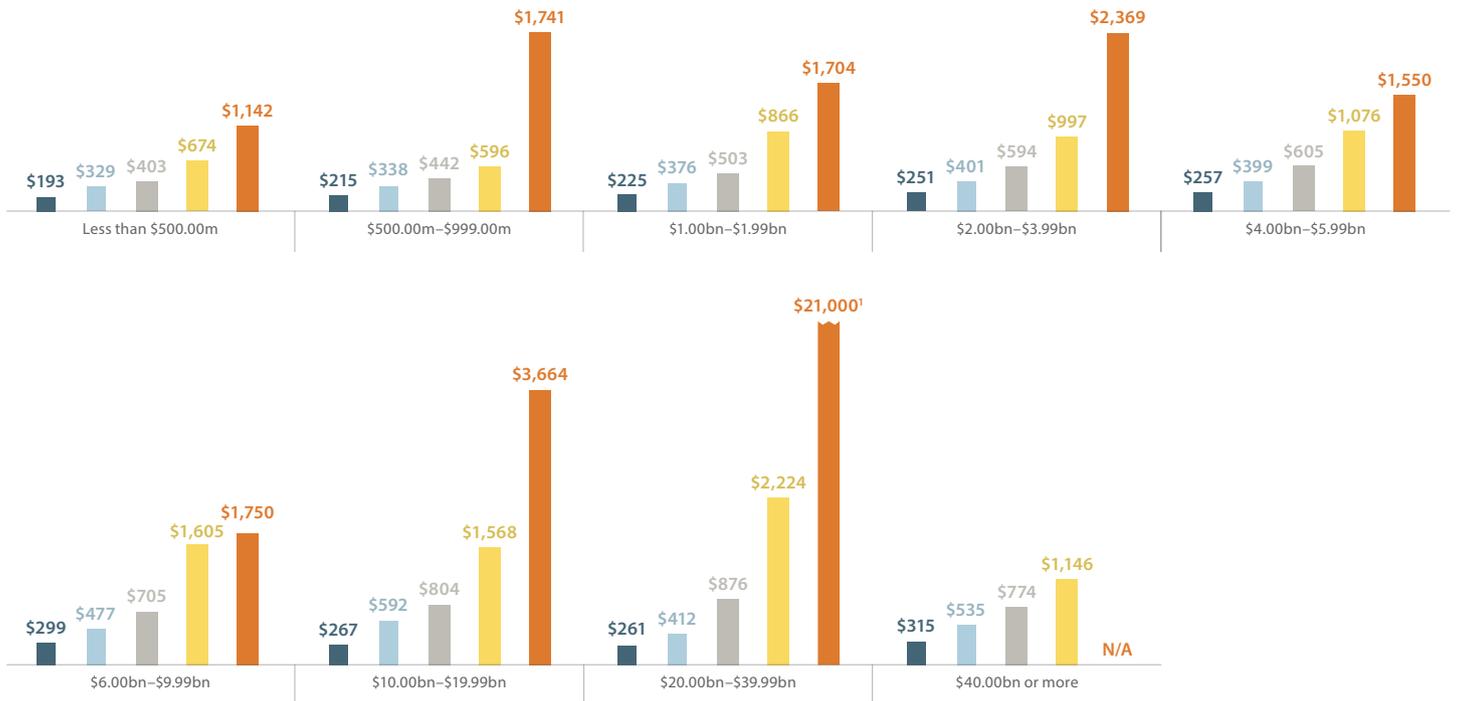


Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 732 investment professionals

Mean total cash compensation by AUM (USD, thousands)

■ Associate/senior associate ■ Vice president ■ Principal ■ Partner/managing director ■ Managing partner

Total cash compensation: base 2019 + bonus 2019



¹ Only 1 managing partner reported total cash compensation in the \$20.00bn–\$39.99bn range.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 784 investment professionals

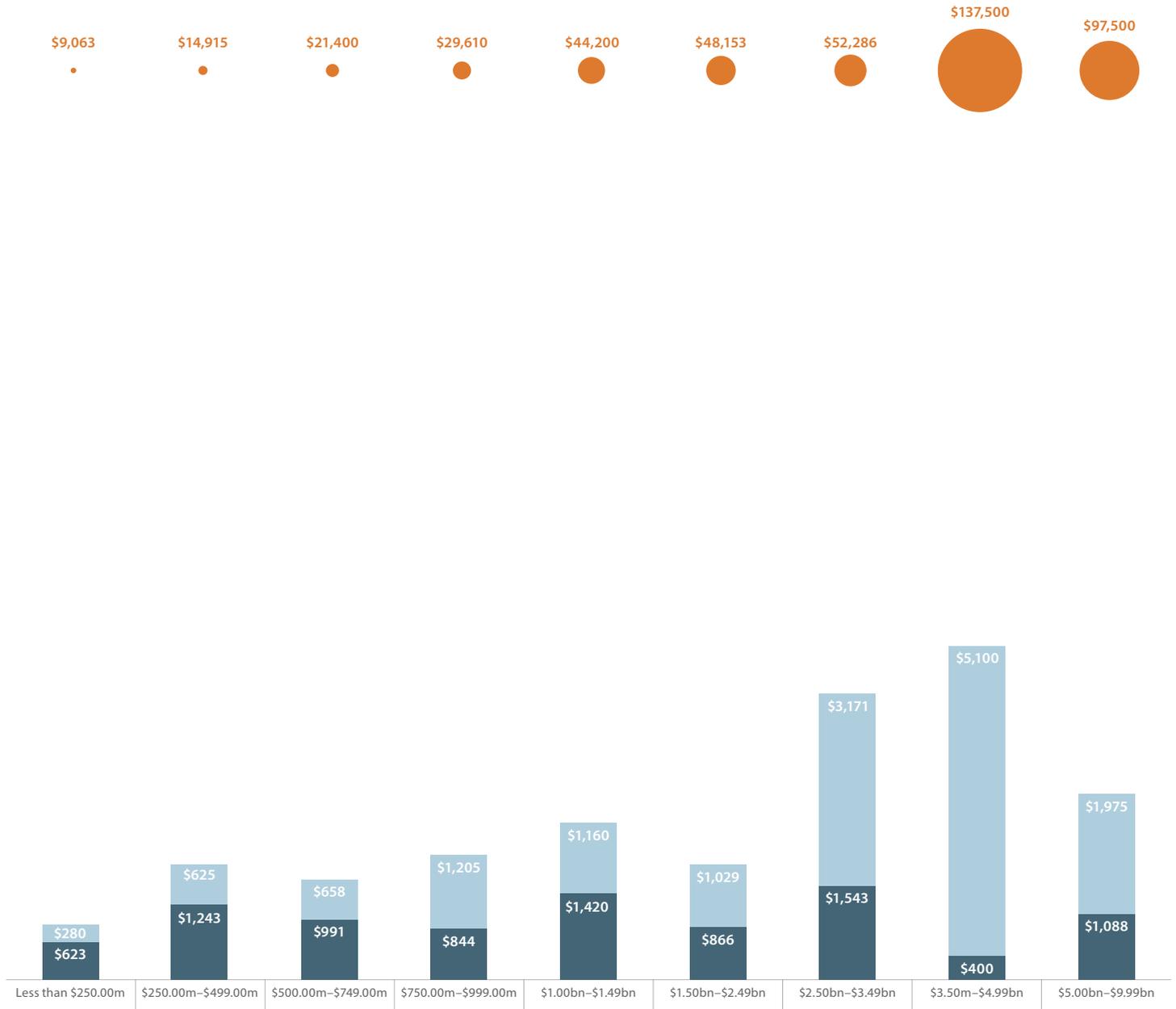
State of investment professional compensation

Average base, bonus, and carry by seniority

Managing partner

By most recent fund (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across most recent fund



Number of responses

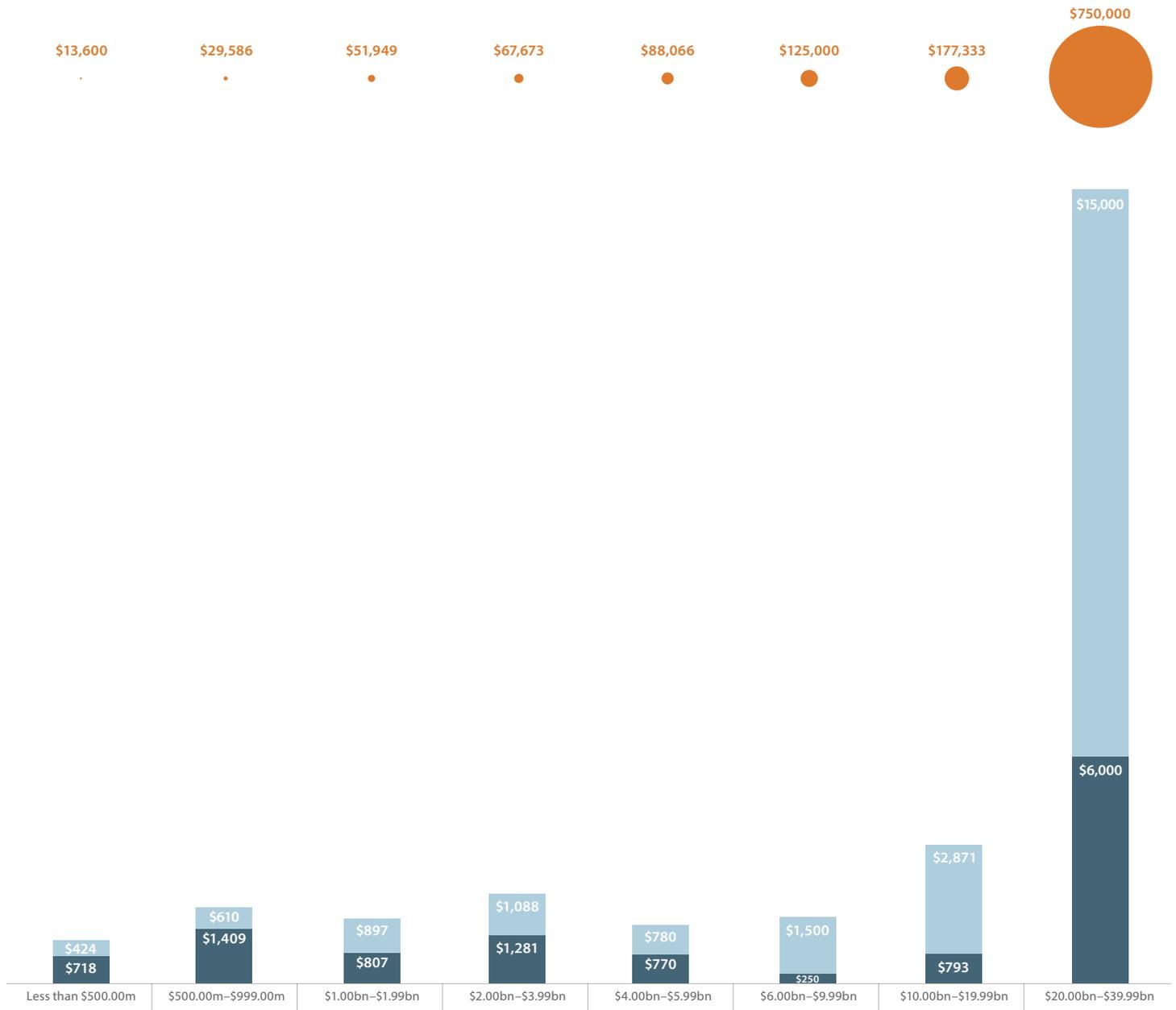
Carry	4	11	9	10	5	7	7	2	3
Salary	4	12	11	10	5	8	7	2	4

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 63 investment professionals

Managing partner

By AUM (USD, thousands)

■ Average base 2019
 ■ Average bonus 2019
 ● Average carry across all funds



Number of responses

	Less than \$500.00m	\$500.00m-\$999.00m	\$1.00bn-\$1.99bn	\$2.00bn-\$3.99bn	\$4.00bn-\$5.99bn	\$6.00bn-\$9.99bn	\$10.00bn-\$19.99bn	\$20.00bn-\$39.99bn
Carry	5	7	19	13	5	1	6	1
Salary	5	9	21	14	5	1	7	1

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 63 investment professionals

Partner/managing director

By most recent fund (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across most recent fund



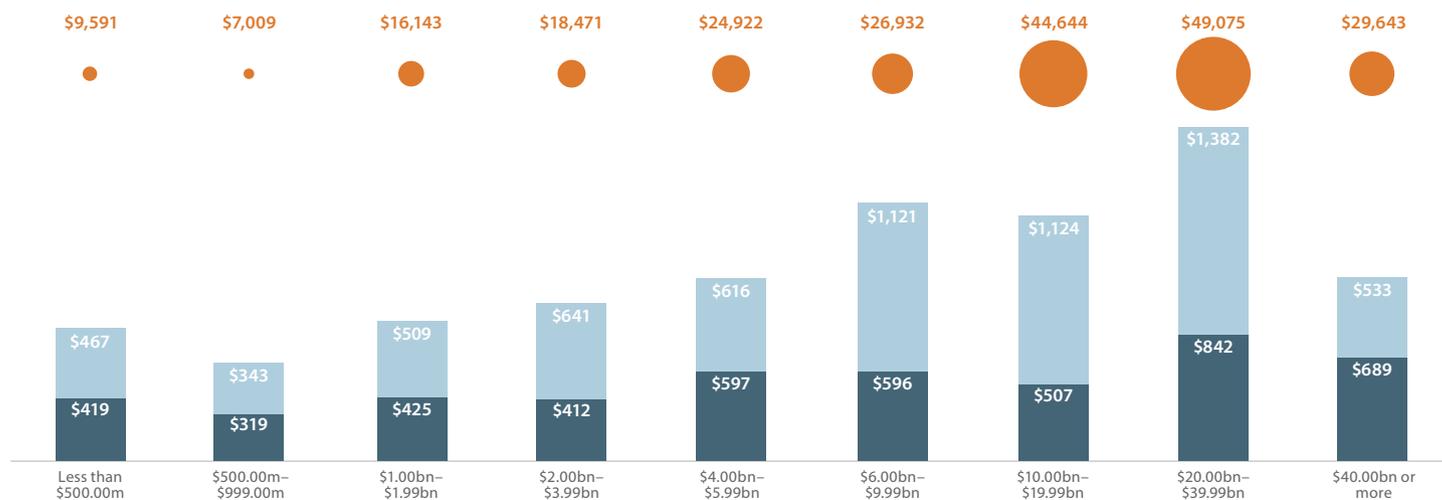
Number of responses

Carry	6	22	15	20	27	28	13	10	12	9
Salary	7	26	16	20	27	31	13	12	13	8

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 173 investment professionals

By AUM (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across all funds



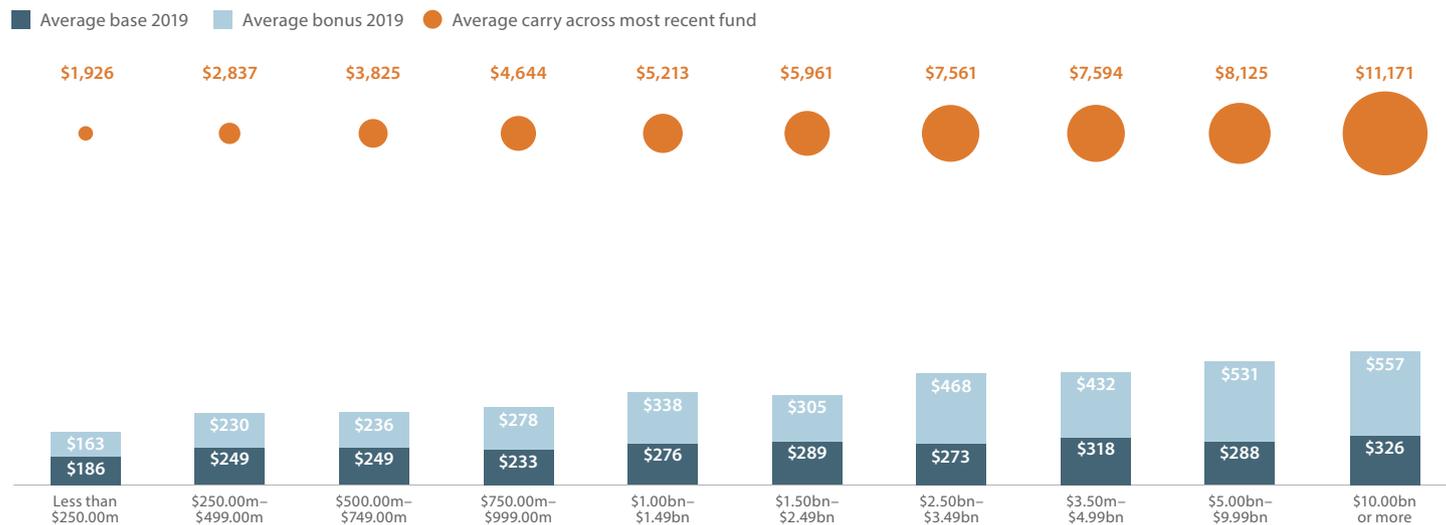
Number of responses

Carry	11	20	30	33	18	19	16	8	7
Salary	11	26	30	34	18	20	18	9	7

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 173 investment professionals

Principal

By most recent fund (USD, thousands)

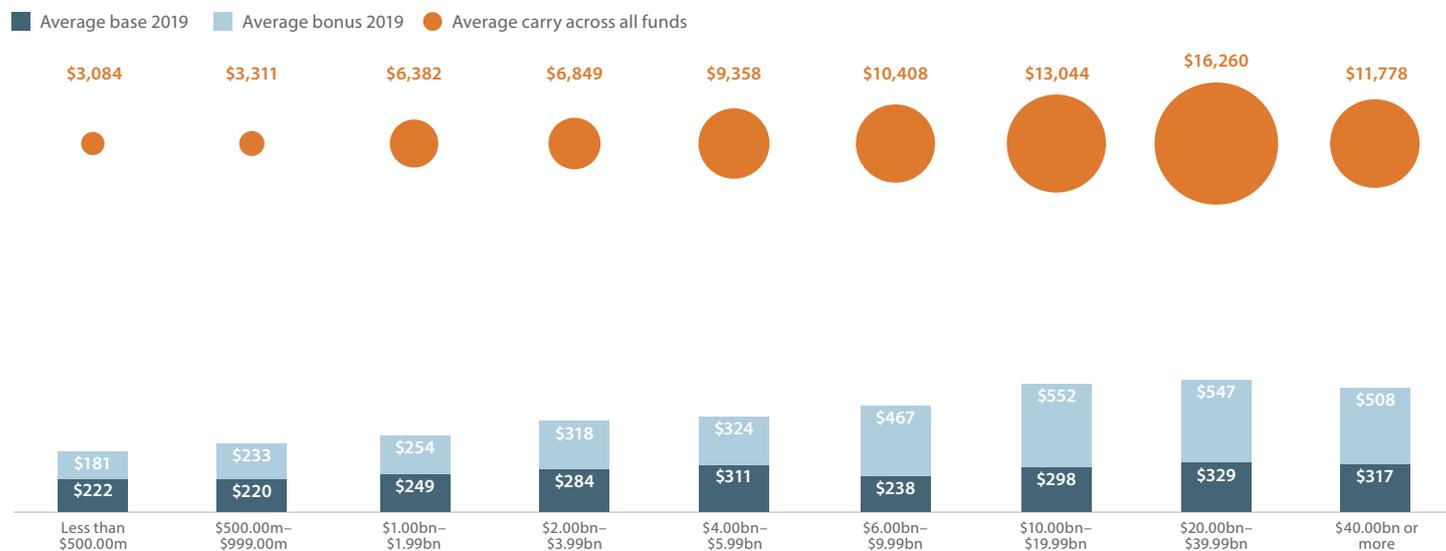


Number of responses

Carry	8	26	26	10	19	24	23	5	6	11
Salary	10	29	29	12	20	29	28	6	9	13

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 185 investment professionals

By AUM (USD, thousands)



Number of responses

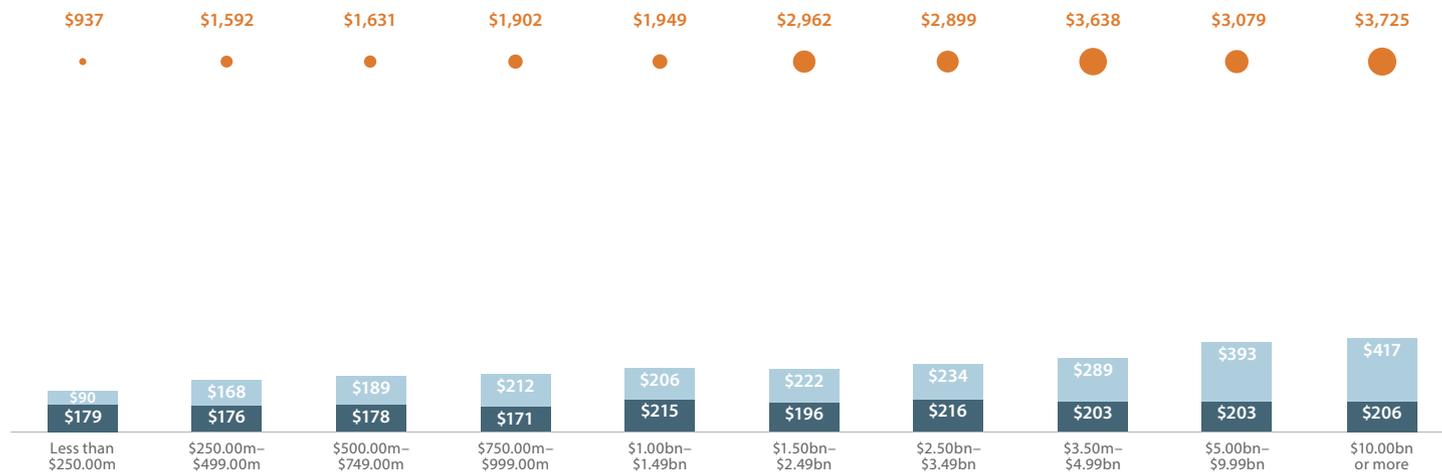
Carry	14	20	32	34	19	16	9	5	9
Salary	17	20	37	39	22	21	12	7	10

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 185 investment professionals

Vice president

By most recent fund (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across most recent fund



Number of responses

Carry	7	36	14	13	29	23	21	8	8	8
Salary	7	36	14	15	31	24	23	8	8	10

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 176 investment professionals

By AUM (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across all funds



Number of responses

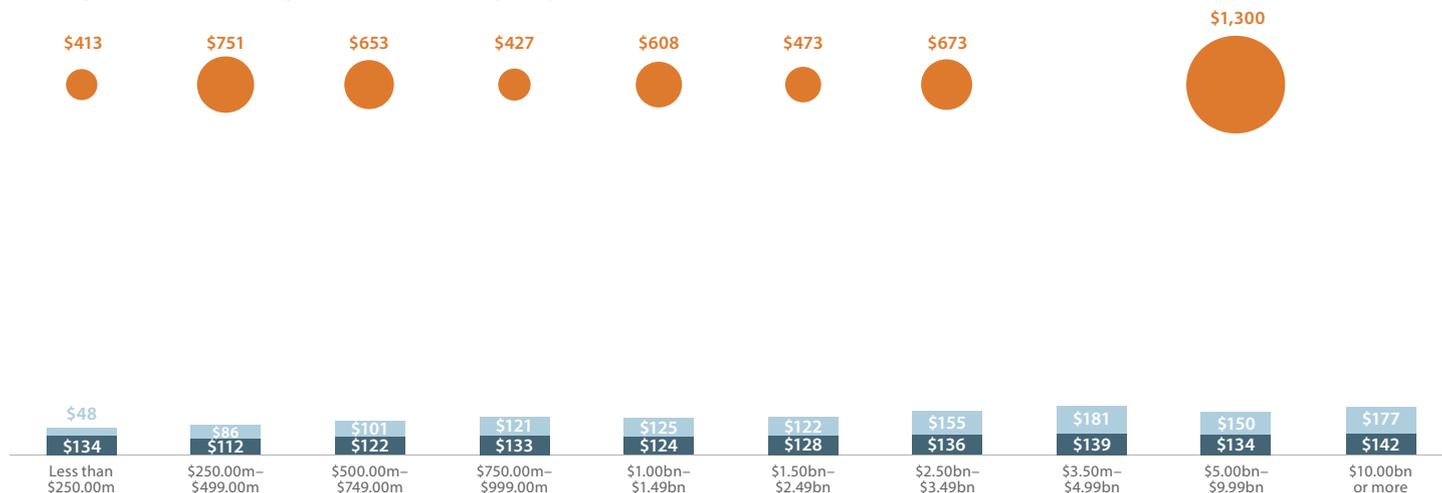
Carry	15	21	32	37	21	12	14	5	9
Salary	15	21	35	38	22	13	15	6	11

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 176 investment professionals

Associate/senior associate

By most recent fund (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across most recent fund



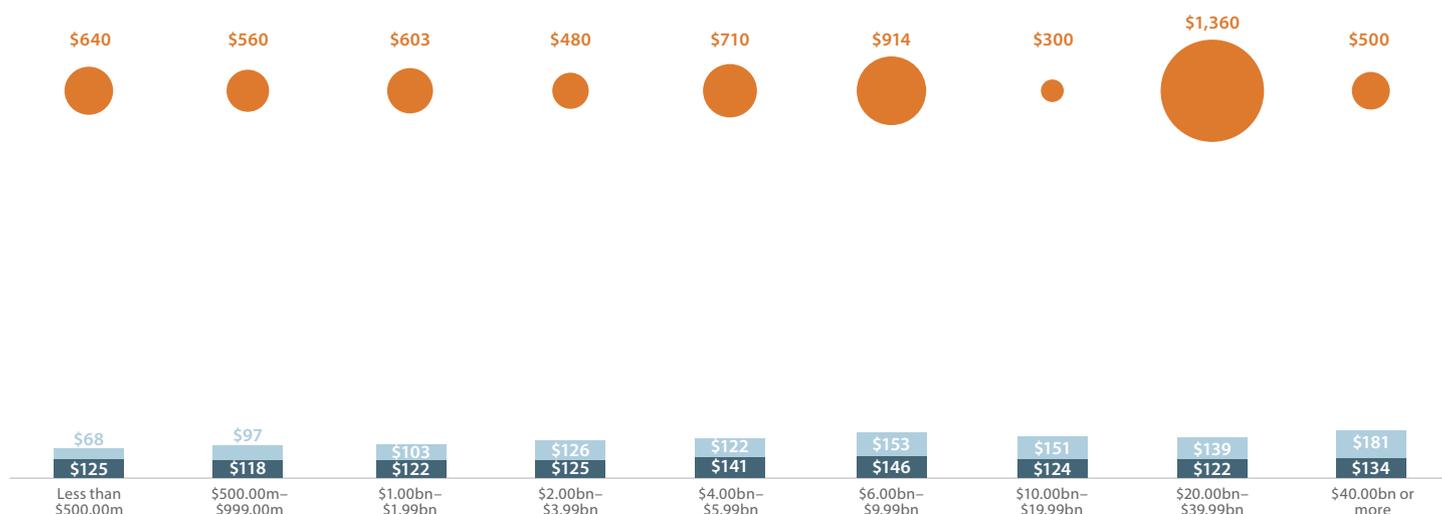
Number of responses

Carry	3	8	7	3	4	9	8	3		
Salary	5	25	29	19	30	25	20	11	11	11

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 186 investment professionals

By AUM (USD, thousands)

■ Average base 2019 ■ Average bonus 2019 ● Average carry across all funds



Number of responses

Carry	6	3	9	7	5	7	1	5	1
Salary	10	18	45	30	19	20	19	14	11

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 186 investment professionals

Base, bonus, and carry by most recent fund

Less than \$250.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	5	7	10	7	4

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	100	110	114	120	120	110	120	134	150	150	120	120	138	150	150
Vice president	100	150	163	180	230	140	160	179	185	250	160	175	191	200	250
Principal	140	153	176	200	230	150	173	186	200	230	170	200	198	200	230
Partner/managing director	170	240	270	305	330	200	265	309	340	450	200	265	314	360	450
Managing partner	240	248	623	750	1,500	240	248	623	750	1,500	240	248	623	750	1,500
Bonus															
Associate/senior associate	20	30	40	50	70	20	30	48	60	90					
Vice president	20	30	67	95	150	20	45	90	95	270					
Principal	50	120	148	193	230	50	130	163	223	260					
Partner/managing director	70	200	464	500	1,300	130	220	508	588	1,300					
Managing partner	120	245	330	435	500	120	310	373	500	500					
Total salary (base + bonus)															
Associate/senior associate	140	140	154	150	190	160	170	182	190	210					
Vice president	120	195	230	275	300	170	230	269	285	430					
Principal	250	280	324	365	420	270	303	349	408	440					
Partner/managing director	240	320	601	665	1,500	330	365	599	590	1,500					
Managing partner	360	465	870	965	2,000	360	465	903	1,063	2,000					
Carry (most recent fund)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	30		265			413			605			710			
Vice president	400		650			937			1,215			1,500			
Principal	1,310		1,538			1,926			2,298			3,000			
Partner/managing director	2,800		4,338			7,392			9,325			14,000			
Managing partner	4,000		4,938			9,063			12,750			15,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 33 investment professionals

\$250.00m–\$499.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	25	36	29	26	12

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	70	90	106	110	160	70	100	112	120	180	80	110	124	130	190
Vice president	80	140	159	180	250	80	150	176	200	250	80	170	190	210	300
Principal	140	170	227	280	400	150	180	249	300	400	160	200	258	300	400
Partner/managing director	130	265	397	475	1,000	130	285	412	475	1,000	130	300	432	500	1,100
Managing partner	150	313	906	925	4,740	150	375	1,243	1,313	6,640	150	375	1,277	1,088	7,790
Bonus															
Associate/senior associate	20	50	72	90	130	40	70	86	100	140					
Vice president	20	100	136	165	260	40	108	168	200	450					
Principal	70	130	214	300	500	50	150	230	330	540					
Partner/managing director	60	130	312	400	1,200	80	140	309	400	900					
Managing partner	150	275	444	525	800	150	275	625	925	1,150					
Total salary (base + bonus)															
Associate/senior associate	90	138	174	200	250	110	180	199	220	290					
Vice president	150	255	295	330	460	160	278	344	383	680					
Principal	240	360	441	500	670	260	390	478	580	720					
Partner/managing director	300	413	601	688	1,480	360	413	614	723	1,200					
Managing partner	350	585	1,202	1,025	5,240	450	645	1,660	1,488	7,790					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	300		423			751			1,013			1,500			
Vice president	300		895			1,592			2,050			4,000			
Principal	250		2,025			2,837			3,875			7,000			
Partner/managing director	1,250		4,200			6,636			7,950			15,000			
Managing partner	8,000		10,750			14,915			15,365			35,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 128 investment professionals

\$500.00m–\$749.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	29	14	29	16	11

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	110	120	130	80	110	122	130	160	90	130	139	150	200
Vice president	120	138	163	178	220	130	163	178	190	240	160	185	207	220	250
Principal	150	180	223	250	400	150	200	249	300	500	150	220	275	320	550
Partner/managing director	200	265	350	413	600	220	293	386	463	670	250	338	423	500	670
Managing partner	400	475	864	1,300	1,900	400	550	991	1,300	2,400	450	625	1,027	1,300	2,300
Bonus															
Associate/senior associate	30	60	89	120	170	30	70	101	130	200					
Vice president	80	115	160	190	290	100	160	189	223	330					
Principal	70	100	191	250	450	70	120	236	290	500					
Partner/managing director	70	150	261	378	500	70	163	318	473	750					
Managing partner	80	300	540	700	1,200	40	300	804	700	3,600					
Total salary (base + bonus)															
Associate/senior associate	30	170	196	233	280	110	190	223	250	360					
Vice president	200	258	323	378	460	240	333	366	410	520					
Principal	250	320	401	450	670	280	380	468	540	900					
Partner/managing director	340	443	578	700	850	340	538	664	735	1,200					
Managing partner	480	715	1,305	1,950	3,100	640	750	1,649	1,950	6,000					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	150		425			653			875			1,130			
Vice president	260		1,113			1,631			2,170			3,300			
Principal	1,100		3,313			3,825			4,400			5,840			
Partner/managing director	2,100		5,000			8,227			9,500			22,400			
Managing partner	6,000		12,100			21,400			25,000			50,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 99 investment professionals

\$750.00m–\$999.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	19	15	12	20	10

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	119	130	180	100	110	133	145	180	100	120	143	165	200
Vice president	100	125	151	160	250	130	150	171	175	280	150	155	189	195	330
Principal	160	175	216	235	330	170	200	233	250	350	170	218	248	258	370
Partner/managing director	150	250	310	350	500	150	250	320	358	500	150	300	411	500	750
Managing partner	350	713	877	1,000	1,600	350	713	844	960	1,800	350	713	920	1,000	1,750
Bonus															
Associate/senior associate	40	95	110	133	180	40	95	121	160	210					
Vice president	90	140	175	200	300	110	165	212	230	400					
Principal	150	210	233	263	300	170	238	278	328	380					
Partner/managing director	120	250	408	508	1,000	130	293	467	613	1,200					
Managing partner	250	650	2,040	2,300	5,000	300	475	1,721	2,150	5,000					
Total salary (base + bonus)															
Associate/senior associate	50	140	209	240	330	140	215	253	295	360					
Vice president	200	280	326	360	450	250	330	383	445	550					
Principal	250	405	432	470	580	400	500	511	543	600					
Partner/managing director	400	500	717	810	1,250	400	550	787	963	1,500					
Managing partner	750	1,000	1,897	2,650	5,500	750	1,013	2,049	2,813	5,500					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	200		290			427			540			700			
Vice president	1,000		1,170			1,902			2,500			4,000			
Principal	2,000		3,168			4,644			5,363			10,000			
Partner/managing director	1,300		6,300			8,390			9,700			16,500			
Managing partner	2,500		17,150			29,610			40,500			67,500			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 76 investment professionals

\$1.00bn–\$1.49bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	30	31	20	27	5

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	60	100	114	130	200	70	110	124	140	200	80	113	134	150	200
Vice president	110	150	200	210	500	120	170	215	225	500	150	190	267	350	520
Principal	120	200	232	278	300	190	235	276	313	400	190	263	301	340	440
Partner/managing director	200	300	419	550	800	200	320	460	600	800	200	330	549	715	1,500
Managing partner	500	600	1,120	1,000	2,500	500	600	1,420	2,000	3,000	500	600	1,720	2,000	4,500
Bonus															
Associate/senior associate	10	100	108	130	200	20	110	125	140	210					
Vice president	60	150	174	200	370	80	165	206	240	370					
Principal	60	200	306	400	500	60	230	338	500	550					
Partner/managing director	80	315	541	625	1,800	80	365	586	665	1,800					
Managing partner	200	500	1,450	2,250	3,000	200	500	1,450	2,250	3,000					
Total salary (base + bonus)															
Associate/senior associate	70	190	214	250	350	90	220	249	280	360					
Vice president	160	300	357	400	750	170	335	402	450	750					
Principal	210	420	538	658	800	420	458	614	735	850					
Partner/managing director	500	630	880	965	2,200	550	710	959	1,015	2,200					
Managing partner	1,200	1,200	2,280	2,500	4,000	1,200	2,200	2,580	3,000	4,000					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	180		420			608			688			1,250			
Vice president	200		1,400			1,949			2,440			4,000			
Principal	2,000		3,480			5,213			6,720			10,000			
Partner/managing director	3,000		7,000			10,607			14,650			25,000			
Managing partner	25,000		35,000			44,200			46,000			75,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 113 investment professionals

\$1.50bn–\$2.49bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	25	25	29	31	8

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	50	100	110	120	180	100	120	128	130	190	100	130	140	150	210
Vice president	100	138	174	203	300	120	150	196	220	400	150	150	210	250	400
Principal	130	190	272	300	780	170	200	289	320	820	130	230	319	340	860
Partner/managing director	250	300	476	500	1,700	250	300	539	625	1,700	250	375	577	750	1,700
Managing partner	200	538	863	1,000	2,000	230	538	866	1,000	2,000	310	838	1,133	1,275	2,500
Bonus															
Associate/senior associate	40	70	100	120	180	50	100	122	140	190					
Vice president	100	148	188	210	300	120	180	222	250	400					
Principal	120	190	263	300	570	120	205	305	360	650					
Partner/managing director	100	400	784	950	2,500	100	400	843	1,000	2,500					
Managing partner	200	300	1,925	3,625	5,050	230	425	1,372	900	5,500					
Total salary (base + bonus)															
Associate/senior associate	100	175	211	243	360	160	220	250	260	380					
Vice president	230	300	362	420	550	240	350	418	455	800					
Principal	290	420	517	600	800	320	480	573	650	880					
Partner/managing director	450	800	1,235	1,475	3,000	450	900	1,301	1,425	3,000					
Managing partner	400	938	2,306	2,850	6,500	460	825	1,895	1,550	7,500					
Carry (most recent fund)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	30		250			473			600			1,400			
Vice president	800		1,780			2,962			4,200			7,000			
Principal	450		3,075			5,961			8,503			16,000			
Partner/managing director	1,150		9,450			14,836			15,813			43,200			
Managing partner	1,720		25,750			48,153			56,875			150,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 118 investment professionals

\$2.50bn–\$3.49bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	20	23	28	13	7

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	118	128	250	90	118	136	150	300	100	120	145	150	300
Vice president	100	145	187	215	350	140	160	216	240	400	150	200	253	305	400
Principal	160	195	245	250	600	180	215	273	300	600	180	245	309	400	500
Partner/managing director	250	300	637	850	2,000	250	320	691	1,200	2,000	250	400	743	1,200	2,000
Managing partner	250	450	1,400	1,550	5,000	250	450	1,543	1,550	6,000	250	450	1,547	1,550	6,000
Bonus															
Associate/senior associate	30	118	131	153	200	40	128	155	173	280					
Vice president	20	135	204	290	500	20	155	234	348	450					
Principal	110	265	383	510	620	200	340	468	530	850					
Partner/managing director	200	665	896	1,050	2,000	200	760	973	1,200	2,000					
Managing partner	400	1,125	2,867	2,225	10,000	400	1,125	3,700	2,225	15,000					
Total salary (base + bonus)															
Associate/senior associate	110	185	237	270	420	130	250	291	323	450					
Vice president	230	305	391	465	680	260	345	439	535	700					
Principal	330	500	628	733	1,100	420	608	741	835	1,100					
Partner/managing director	730	1,050	1,395	1,400	4,000	900	1,200	1,514	1,400	4,000					
Managing partner	950	1,875	3,857	2,600	15,000	950	1,875	4,714	2,600	21,000					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	50		115			673			988			1,360			
Vice president	500		1,250			2,899			3,500			9,600			
Principal	1,250		4,500			7,561			10,000			14,000			
Partner/managing director	4,200		12,000			17,938			20,500			40,000			
Managing partner	1,000		27,500			52,286			55,000			150,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 91 investment professionals

\$3.50bn–\$4.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	11	8	6	12	2

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	90	120	131	130	220	90	130	139	130	300	100	130	151	145	340
Vice president	110	143	181	205	250	150	173	203	223	270	150	188	215	250	300
Principal	130	210	295	288	650	140	228	318	288	750	140	243	338	288	850
Partner/managing director	200	288	423	503	900	200	288	435	505	1,000	300	375	485	505	1,000
Managing partner	300	350	400	450	500	300	350	400	450	500	300	350	400	450	500
Bonus															
Associate/senior associate	90	138	165	185	260	110	150	181	200	260					
Vice president	200	215	249	263	330	220	260	289	320	380					
Principal	120	290	372	450	650	150	400	432	550	650					
Partner/managing director	300	488	1,263	1,625	3,500	150	588	1,358	1,750	3,500					
Managing partner	200	2,400	4,600	6,800	9,000	200	2,650	5,100	7,550	10,000					
Total salary (base + bonus)															
Associate/senior associate	130	190	250	298	390	130	275	287	330	390					
Vice president	360	400	430	450	500	420	455	491	520	560					
Principal	320	493	605	725	900	370	575	678	825	900					
Partner/managing director	600	890	1,686	2,133	4,000	670	1,050	1,793	2,325	4,000					
Managing partner	500	2,750	5,000	7,250	9,500	500	3,000	5,500	8,000	10,500					
Carry (most recent fund)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate*	N/A		N/A			N/A			N/A			N/A			
Vice president	1,200		2,975			3,638			4,625			5,000			
Principal	1,300		4,000			7,594			11,000			16,270			
Partner/managing director	10,000		13,475			25,630			34,500			65,000			
Managing partner	100,000		118,750			137,500			156,250			175,000			

* Only 1 associate out of 11 received carry, which was \$800,000.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 39 investment professionals

\$5.00bn–\$9.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	11	8	9	13	4

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	70	113	124	130	180	70	120	134	145	190	110	125	149	165	200
Vice president	130	150	174	193	220	170	198	203	213	230	180	200	219	235	250
Principal	130	220	267	300	500	180	220	288	300	600	180	300	334	300	700
Partner/managing director	250	330	502	650	850	250	330	735	800	3,000	250	410	805	870	3,250
Managing partner	500	500	963	1,238	1,800	500	500	1,088	1,363	2,300	500	575	1,238	1,488	2,800
Bonus															
Associate/senior associate	60	113	127	158	180	100	115	150	175	210					
Vice president	120	255	359	500	600	140	260	393	563	600					
Principal	150	338	446	550	700	150	443	531	670	800					
Partner/managing director	350	478	1,290	1,638	5,000	320	458	1,409	1,625	6,500					
Managing partner	500	500	1,850	2,300	5,000	500	500	1,975	2,675	5,000					
Total salary (base + bonus)															
Associate/senior associate	140	225	251	280	310	170	255	284	330	350					
Vice president	300	400	533	668	800	330	463	595	785	800					
Principal	370	580	663	700	1,000	380	600	760	880	1,100					
Partner/managing director	300	800	1,693	1,700	5,600	300	900	2,035	1,800	7,100					
Managing partner	1,000	1,000	2,813	3,913	6,050	1,000	1,000	3,063	4,663	6,050					
Carry (most recent fund)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	500		700			1,300			1,700			2,500			
Vice president	300		596			3,079			4,250			8,000			
Principal	3,000		4,250			8,125			11,563			12,000			
Partner/managing director	10,000		18,000			34,106			41,250			75,000			
Managing partner	22,500		46,250			97,500			135,000			200,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 45 investment professionals

\$10.00bn or more

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	11	10	13	7	0

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	90	110	128	150	150	100	115	142	155	210	100	133	158	180	230
Vice president	130	155	184	213	250	150	173	206	230	270	160	185	232	270	300
Principal	230	250	298	350	400	230	250	326	400	440	230	250	359	480	480
Partner/managing director	300	438	1,169	613	6,000	300	500	690	788	1,250	300	523	798	1,213	1,250
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bonus															
Associate/senior associate	40	83	121	150	200	110	150	177	190	300					
Vice president	160	235	315	385	570	180	283	417	490	800					
Principal	300	400	468	450	800	320	480	557	650	900					
Partner/managing director	400	450	688	793	1,250	200	400	659	930	1,250					
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Total salary (base + bonus)															
Associate/senior associate	150	193	249	300	300	220	295	319	350	410					
Vice president	350	420	499	568	740	360	540	623	678	1,030					
Principal	550	700	766	780	1,050	700	760	883	930	1,130					
Partner/managing director	800	900	1,856	1,600	6,690	720	975	1,266	1,563	1,610					
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Carry (most recent fund)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	N/A		N/A			N/A			N/A			N/A			
Vice president	300		600			3,725			5,500			10,000			
Principal	8,000		9,500			11,171			12,300			16,000			
Partner/managing director	8,750		9,000			22,083			23,000			60,000			
Managing partner	N/A		N/A			N/A			N/A			N/A			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 41 investment professionals

Base, bonus, and carry by AUM

Less than \$500.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	10	15	17	11	5

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	110	111	120	120	90	113	125	148	150	90	120	128	150	150
Vice president	100	143	156	160	230	140	155	175	180	250	150	170	195	200	300
Principal	140	150	208	230	400	150	170	222	250	400	170	200	234	250	400
Partner/managing director	200	290	401	400	1,000	200	290	419	425	1,000	200	290	453	525	1,100
Managing partner	240	250	718	1,100	1,500	240	250	718	1,100	1,500	240	250	718	1,100	1,500
Bonus															
Associate/senior associate	20	30	60	85	130	20	40	68	90	140					
Vice president	20	43	109	150	250	20	60	153	215	450					
Principal	50	120	162	200	300	50	110	181	240	350					
Partner/managing director	150	200	421	425	1,300	200	213	467	463	1,300					
Managing partner	120	308	498	625	1,000	120	405	530	625	1,000					
Total salary (base + bonus)															
Associate/senior associate	90	140	160	185	250	130	173	193	205	290					
Vice president	120	208	264	300	430	170	240	329	405	680					
Principal	240	280	369	420	600	260	310	403	410	650					
Partner/managing director	330	475	669	750	1,500	330	490	674	700	1,500					
Managing partner	360	500	1,116	2,000	2,100	360	500	1,142	2,000	2,100					
Carry (all funds)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	30		240			640			828			1,500			
Vice president	300		560			1,953			2,750			7,000			
Principal	670		1,725			3,084			3,800			7,000			
Partner/managing director	1,250		4,250			9,591			12,000			30,000			
Managing partner	4,000		12,000			13,600			18,000			19,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 58 investment professionals

\$500.00m–\$999.00m

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	18	21	20	26	9

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	111	113	160	90	103	118	120	180	100	113	131	130	200
Vice president	120	140	160	170	200	130	160	178	190	250	150	170	192	210	250
Principal	150	158	199	220	300	150	180	220	273	320	150	180	227	280	320
Partner/managing director	130	250	303	325	550	130	250	319	365	600	130	285	347	400	700
Managing partner	150	200	974	900	4,740	150	300	1,402	1,350	6,640	150	300	1,430	1,000	7,790
Bonus															
Associate/senior associate	50	68	89	100	170	50	75	97	118	170					
Vice president	60	100	133	160	250	80	110	160	180	330					
Principal	100	140	214	250	500	50	165	233	330	540					
Partner/managing director	70	120	328	450	1,200	70	150	343	450	900					
Managing partner	200	300	480	600	800	200	300	610	800	1,150					
Total salary (base + bonus)															
Associate/senior associate	160	170	201	233	280	150	183	215	230	320					
Vice president	200	260	293	330	420	230	290	338	370	530					
Principal	250	320	403	460	670	300	358	442	503	720					
Partner/managing director	300	400	568	643	1,480	340	400	596	663	1,200					
Managing partner	350	450	1,241	1,000	5,240	450	630	1,741	1,350	7,790					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	430		515			560			625			650			
Vice president	350		1,360			2,153			2,600			4,500			
Principal	500		2,400			3,311			4,500			5,000			
Partner/managing director	2,500		4,800			7,009			8,425			15,230			
Managing partner	14,600		16,500			29,586			28,500			80,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 94 investment professionals

\$1.00bn–\$1.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	45	35	37	30	21

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	70	100	113	120	200	70	110	122	130	200	80	120	135	150	200
Vice president	80	130	173	200	420	80	150	188	200	470	80	175	207	220	520
Principal	150	178	221	250	400	170	200	249	300	500	170	220	275	300	550
Partner/managing director	150	250	384	493	750	150	300	425	500	750	150	385	472	538	760
Managing partner	350	500	753	1,000	1,300	350	500	807	1,000	1,350	350	500	888	1,300	1,750
Bonus															
Associate/senior associate	20	60	92	120	180	30	70	103	130	210					
Vice president	70	115	165	200	300	70	150	188	225	350					
Principal	70	130	214	250	500	70	170	254	300	550					
Partner/managing director	60	213	437	483	2,500	80	218	509	600	2,500					
Managing partner	80	300	1,059	700	5,000	40	300	1,108	1,000	5,000					
Total salary (base + bonus)															
Associate/senior associate	30	163	197	238	330	110	190	225	250	360					
Vice president	160	275	338	405	550	160	315	376	420	620					
Principal	250	320	429	480	800	280	410	503	560	900					
Partner/managing director	310	500	763	800	3,000	360	563	866	980	3,000					
Managing partner	480	800	1,611	2,000	5,500	640	800	1,704	2,000	5,500					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	180		200			603			1,000			1,130			
Vice president	500		1,238			2,250			3,135			4,800			
Principal	1,200		4,263			6,382			7,275			20,000			
Partner/managing director	1,300		8,275			16,143			17,750			80,000			
Managing partner	7,000		25,500			51,949			51,750			225,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 168 investment professionals

\$2.00bn–\$3.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	30	38	39	34	14

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	50	100	111	130	150	90	110	125	140	180	100	120	135	150	200
Vice president	100	150	178	200	300	120	150	196	220	400	150	163	238	295	450
Principal	120	200	256	300	600	190	230	284	320	600	190	240	306	340	500
Partner/managing director	200	300	373	475	700	200	300	412	500	1,450	200	323	500	500	1,500
Managing partner	200	563	1,161	1,825	2,500	230	563	1,281	2,000	3,000	310	585	1,403	2,000	4,500
Bonus															
Associate/senior associate	30	90	104	125	200	50	100	126	140	210					
Vice president	60	130	175	203	300	80	160	217	255	400					
Principal	60	200	280	358	570	60	240	318	388	650					
Partner/managing director	130	300	568	750	1,950	130	365	641	750	2,200					
Managing partner	200	200	1,594	2,000	5,050	200	350	1,385	1,750	5,500					
Total salary (base + bonus)															
Associate/senior associate	100	190	212	253	350	140	213	251	280	360					
Vice president	170	300	344	398	500	220	333	401	450	800					
Principal	210	435	529	600	1,100	350	485	594	670	1,100					
Partner/managing director	500	605	908	1,000	2,250	550	723	997	1,088	2,500					
Managing partner	400	1,200	2,186	2,500	6,500	460	1,088	2,369	2,438	7,500					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	30		165			480			625			1,250			
Vice president	260		1,700			2,908			3,600			8,400			
Principal	450		3,475			6,849			8,955			23,000			
Partner/managing director	3,700		13,500			18,471			22,000			38,000			
Managing partner	2,000		38,000			67,673			98,000			200,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 155 investment professionals

\$4.00bn–\$5.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	19	22	22	18	5

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	118	120	220	110	120	141	145	300	110	130	153	160	340
Vice president	110	140	189	200	500	130	155	211	228	500	150	200	238	250	500
Principal	130	190	277	280	780	170	220	311	338	820	130	233	331	373	860
Partner/managing director	250	355	523	650	1,200	250	370	597	800	1,200	250	393	652	983	1,200
Managing partner	500	600	770	1,000	1,000	500	600	770	1,000	1,000	500	1,000	1,080	1,200	1,500
Bonus															
Associate/senior associate	50	70	102	120	170	60	100	122	138	200					
Vice president	20	143	165	200	300	20	170	197	230	250					
Principal	110	185	288	350	570	150	200	324	363	850					
Partner/managing director	100	325	645	735	2,250	100	268	616	790	2,000					
Managing partner	600	800	1,300	1,650	2,300	600	800	1,300	1,650	2,300					
Total salary (base + bonus)															
Associate/senior associate	50	185	208	240	290	200	225	257	280	330					
Vice president	240	293	354	398	750	280	335	399	428	750					
Principal	290	405	539	688	800	370	455	605	700	1,080					
Partner/managing director	450	778	1,060	1,338	2,500	450	800	1,076	1,240	2,250					
Managing partner	750	1,000	1,550	2,000	2,800	750	1,000	1,550	2,000	2,800					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	400		500			710			650			1,400			
Vice president	330		1,200			2,845			3,750			6,700			
Principal	1,300		4,250			9,358			12,790			29,000			
Partner/managing director	3,450		16,500			24,922			35,250			50,000			
Managing partner	1,800		50,000			88,066			100,000			200,000			

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 86 investment professionals

\$6.00bn–\$9.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	20	13	21	20	1

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	80	100	127	150	250	90	118	146	160	300	100	138	158	163	300
Vice president	100	150	189	220	250	150	190	211	230	270	150	190	236	260	350
Principal	130	200	228	250	350	140	200	238	280	350	140	230	289	320	500
Partner/managing director	170	250	545	663	1,700	250	250	596	750	1,700	250	400	649	800	1,700
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bonus															
Associate/senior associate	30	113	129	163	200	40	128	153	173	280					
Vice president	20	160	231	330	380	20	190	266	340	450					
Principal	160	270	368	480	600	160	370	467	530	750					
Partner/managing director	70	603	1,073	1,325	3,500	130	625	1,121	1,275	3,500					
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Total salary (base + bonus)															
Associate/senior associate	110	188	250	300	420	130	258	299	343	450					
Vice president	270	330	420	500	630	290	400	477	550	700					
Principal	390	500	596	690	850	390	560	705	810	1,000					
Partner/managing director	240	1,065	1,511	1,788	4,000	380	1,150	1,605	1,778	4,000					
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate	50		500			914			1,200			2,000			
Vice president	1,000		2,700			5,275			6,375			16,500			
Principal	3,000		5,875			10,408			16,058			17,000			
Partner/managing director	3,400		15,800			26,932			36,750			60,000			
Managing partner*	N/A		N/A			N/A			N/A			N/A			

* Only 1 managing partner response, because of which the quartiles were not calculated.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 75 investment professionals

\$10.00bn–\$19.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	19	15	12	19	7

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	90	110	117	130	130	90	115	124	130	150	100	120	135	145	170
Vice president	110	150	183	200	350	150	170	216	230	400	150	190	229	245	400
Principal	130	238	278	300	650	180	243	298	300	750	180	250	325	320	850
Partner/managing director	200	263	493	508	2,000	200	300	507	515	2,000	250	300	526	515	2,000
Managing partner	300	450	721	775	1,800	300	450	793	775	2,300	300	450	879	825	2,800
Bonus															
Associate/senior associate	40	108	134	150	260	100	110	151	178	260					
Vice president	120	240	322	415	600	140	250	376	475	800					
Principal	300	425	484	575	650	300	500	552	665	730					
Partner/managing director	300	450	1,009	950	5,000	150	500	1,124	1,000	6,500					
Managing partner	200	500	2,657	3,500	9,000	200	500	2,871	3,500	10,000					
Total salary (base + bonus)															
Associate/senior associate	150	213	243	273	390	130	225	267	300	390					
Vice president	300	430	505	565	800	330	500	592	675	1,030					
Principal	460	673	722	828	900	580	750	804	900	930					
Partner/managing director	300	763	1,446	1,350	5,600	300	863	1,568	1,400	7,100					
Managing partner	500	1,000	3,379	4,625	9,500	500	1,000	3,664	5,125	10,500					
Carry (all funds)	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate*	N/A		N/A			N/A			N/A			N/A			
Vice president	400		1,433			3,477			5,000			6,000			
Principal	500		10,000			13,044			15,000			25,000			
Partner/managing director	4,000		16,750			44,644			68,750			125,000			
Managing partner	9,000		97,500			177,333			231,250			400,000			

* None of the associates in this AUM size reported carry.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 72 investment professionals

\$20.00bn–\$39.99bn

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	14	6	7	9	1

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	60	98	111	130	160	70	103	122	140	160	80	120	138	160	180
Vice president	130	130	158	190	200	140	155	180	200	220	160	193	205	223	250
Principal	200	240	293	350	350	200	285	329	400	400	300	320	393	480	480
Partner/managing director	250	500	564	650	850	250	500	842	800	3,000	250	500	931	870	3,250
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bonus															
Associate/senior associate	10	83	113	153	180	20	120	139	168	210					
Vice president	120	200	256	270	450	130	220	278	310	460					
Principal	350	400	423	440	500	480	480	547	625	650					
Partner/managing director	410	660	1,308	2,000	2,500	410	870	1,382	1,850	2,750					
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Total salary (base + bonus)															
Associate/senior associate	70	140	206	270	310	90	230	261	315	350					
Vice president	160	288	372	430	580	170	313	412	500	610					
Principal	580	700	716	765	780	750	865	876	895	980					
Partner/managing director	740	1,260	1,872	2,500	3,250	740	1,500	2,224	2,800	5,750					
Managing partner*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Carry (all funds)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate**	100		950			1,360			2,200			2,500			
Vice president	300		1,550			3,610			6,100			6,600			
Principal	8,000		12,000			16,260			17,100			28,500			
Partner/managing director	10,000		33,075			49,075			62,625			94,000			
Managing partner*	N/A		N/A			N/A			N/A			N/A			

* Only 1 managing partner response, because of which the quartiles were not calculated.

** Only 1 associate response for carry.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 37 investment professionals

\$40.00bn or more

(USD, thousands)

	Associate/senior associate	Vice president	Principal	Partner/managing director	Managing partner
Number of responses	11	11	10	7	0

	2018					2019					2020				
	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High	Low	Lower quartile	Mean	Upper quartile	High
Base															
Associate/senior associate	70	105	122	145	150	70	115	134	155	210	100	125	149	170	230
Vice president	130	150	175	185	250	150	170	201	225	270	170	210	242	270	300
Principal	170	223	288	338	500	190	230	317	375	600	220	235	347	420	700
Partner/managing director	300	425	1,221	475	6,000	300	500	689	875	1,250	300	515	811	1,225	1,250
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bonus															
Associate/senior associate	60	83	127	158	200	100	150	181	200	300					
Vice president	80	180	278	345	570	90	260	335	390	620					
Principal	140	300	440	700	800	130	320	508	770	900					
Partner/managing director	350	425	584	595	1,250	200	400	533	488	1,250					
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Total salary (base + bonus)															
Associate/senior associate	130	175	237	300	300	170	295	315	350	410					
Vice president	230	355	454	525	740	260	450	535	610	790					
Principal	310	513	684	925	1,050	320	625	774	1,008	1,130					
Partner/managing director	800	850	1,806	1,275	6,690	720	950	1,146	1,400	1,600					
Managing partner	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Carry (all funds)															
	Low		Lower quartile			Mean			Upper quartile			High			
Associate/senior associate*	N/A		N/A			N/A			N/A			N/A			
Vice president	500		1,600			5,241			9,000			15,000			
Principal	2,000		5,000			11,778			16,000			20,000			
Partner/managing director	16,500		21,500			29,643			27,000			70,000			
Managing partner	N/A		N/A			N/A			N/A			N/A			

* Only 1 associate response for carry, because of which the quartiles were not calculated.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 39 investment professionals

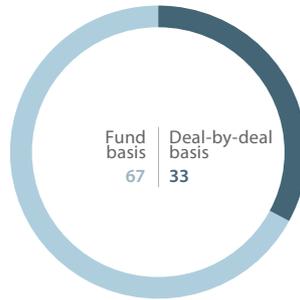
Non-cash compensation

Carried interest provisions

While PE professionals at every level reported that they contributed some capital toward their portion of carry, senior investment professionals remain those who most often do so. Seventy-five percent of managing partners contributed capital in 2020, for example, compared with only 20% of associates/senior associates. Most carry vests, and more often on the full fund, rather than deal-by-deal.

Vesting basis

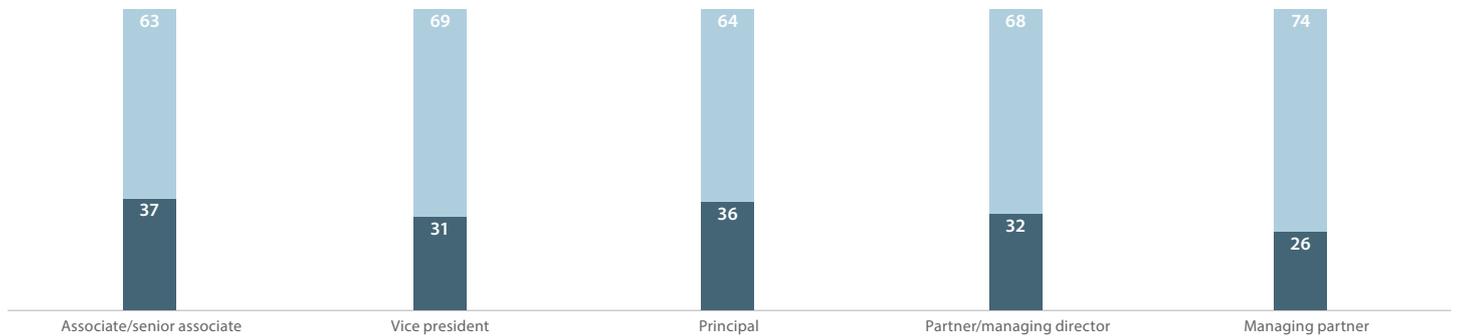
Distribution of respondents whose carry vests on fund basis vs. deal-by-deal basis (%)



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 591 investment professionals

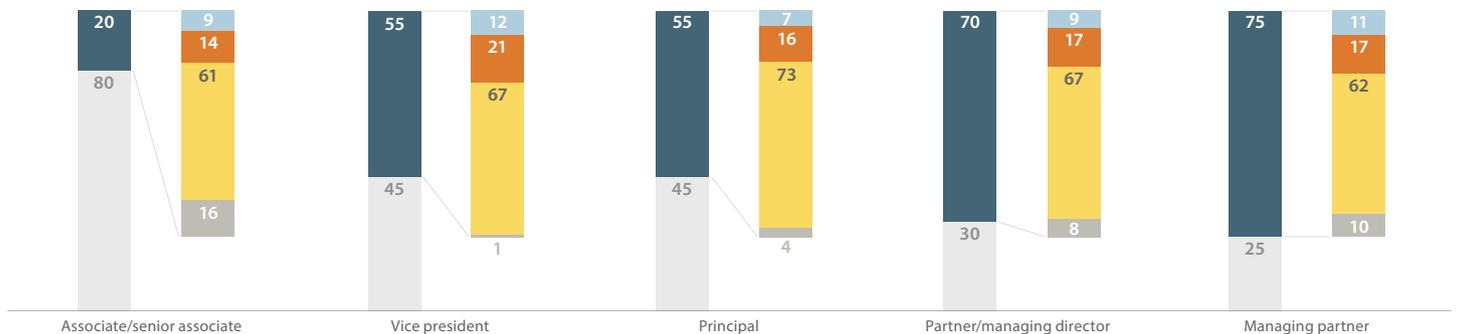
Basis of carried interest (%)

■ Deal-by-deal basis ■ Fund basis



Contributions to carry (%)

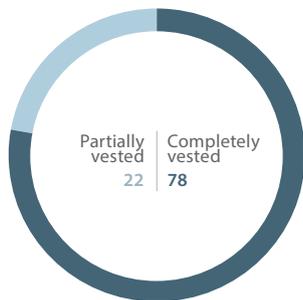
■ No ■ Yes ■ Yes, firm helps finance ■ Yes, using pre-tax income ■ Yes, using after-tax income ■ Other



Note: Numbers may not sum to 100%, because of rounding.
Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 725 investment professionals

Vesting of carry

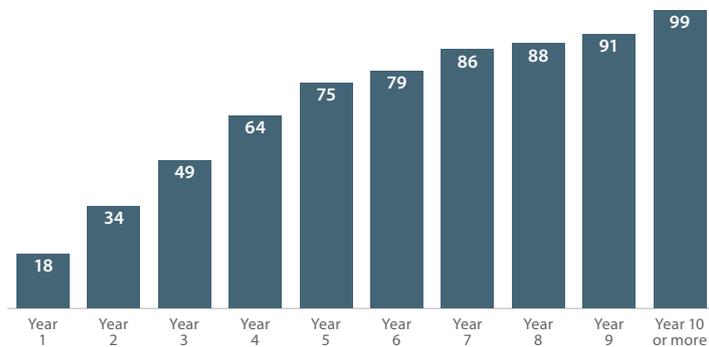
Distribution of respondents whose carry vests completely vs. those whose does not (%)



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 574 investment professionals

Time to vest, on fund basis (%)

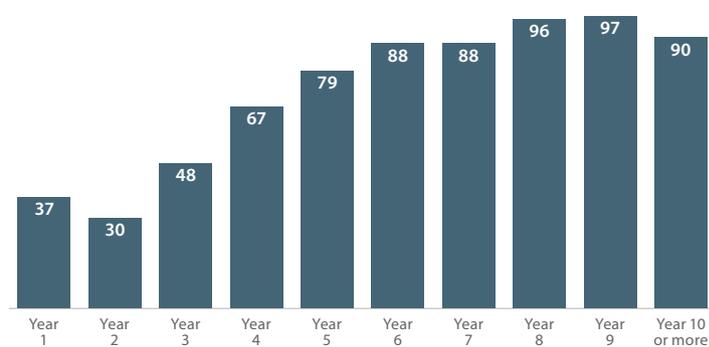
Average percentage of cumulative carry vested per year



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 435 investment professionals

Time to vest, on deal-by-deal basis (%)

Average percentage of cumulative carry vested per year

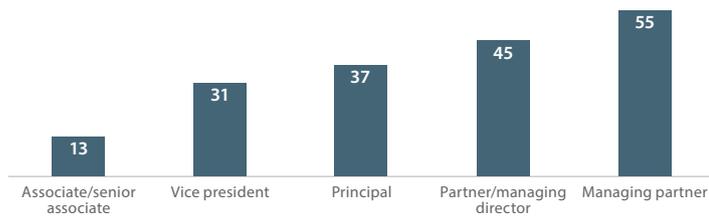


Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 190 investment professionals

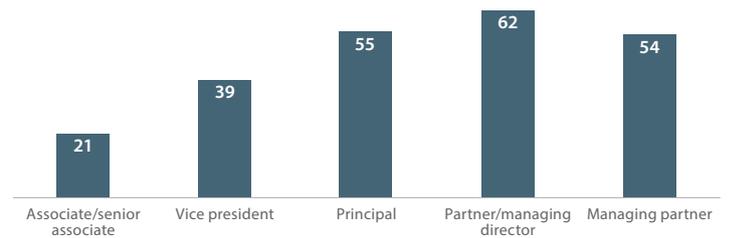
While the percentage of investment professionals whose carry is subject to clawback provisions in a bad leaver situation generally increases with seniority, we found that percentage had increased from 2019 to 2020. In 2019, 43% of managing partners faced such provisions. In 2020, that figure rose to 55%. More similarly to 2019, more than half of respondents at the principal, partner/managing director, and managing partner levels had their carry subject to holdback as reserve for potential fund underperformance in 2020.

Clawbacks and holdbacks (%)

Share of respondents whose carry is subject to clawback in bad leaver situation

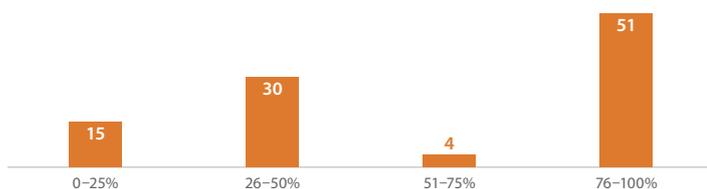


Share of respondents with carry holdback as a reserve for potential fund underperformance



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 684 investment professionals

Amount of carry that can be clawed back



Note: This represents only 24% of total survey respondents.

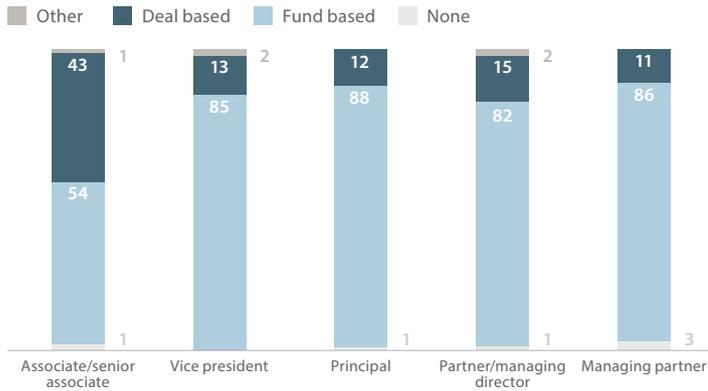
Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 574 investment professionals

Co-investment

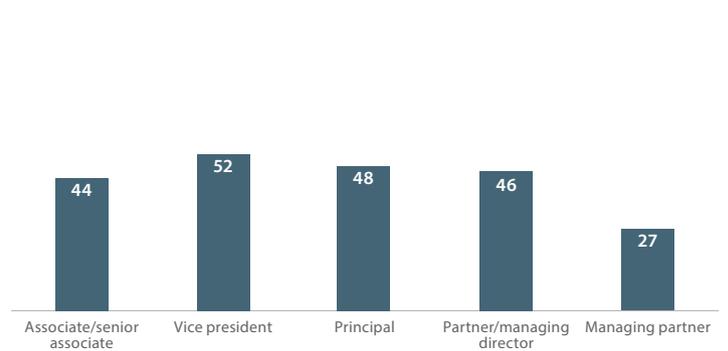
As we noted last year, many private equity firms offer their investment professionals an option to co-invest in addition to their cash compensation and carry, and some provide their investment professionals with loans to do so. The share of those reporting such assistance remained strong for 2020, with 44% or more of all associates/senior associates, vice presidents, principals, and partners/managing directors reporting that they had been provided with leverage, up from 40% for 2019.

Co-investment eligibility and rights (%)

Basis of co-investment



Share of respondents provided with leverage on the dollars they invest



Note: Numbers may not sum to 100%, because of rounding.

Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 478 investment professionals

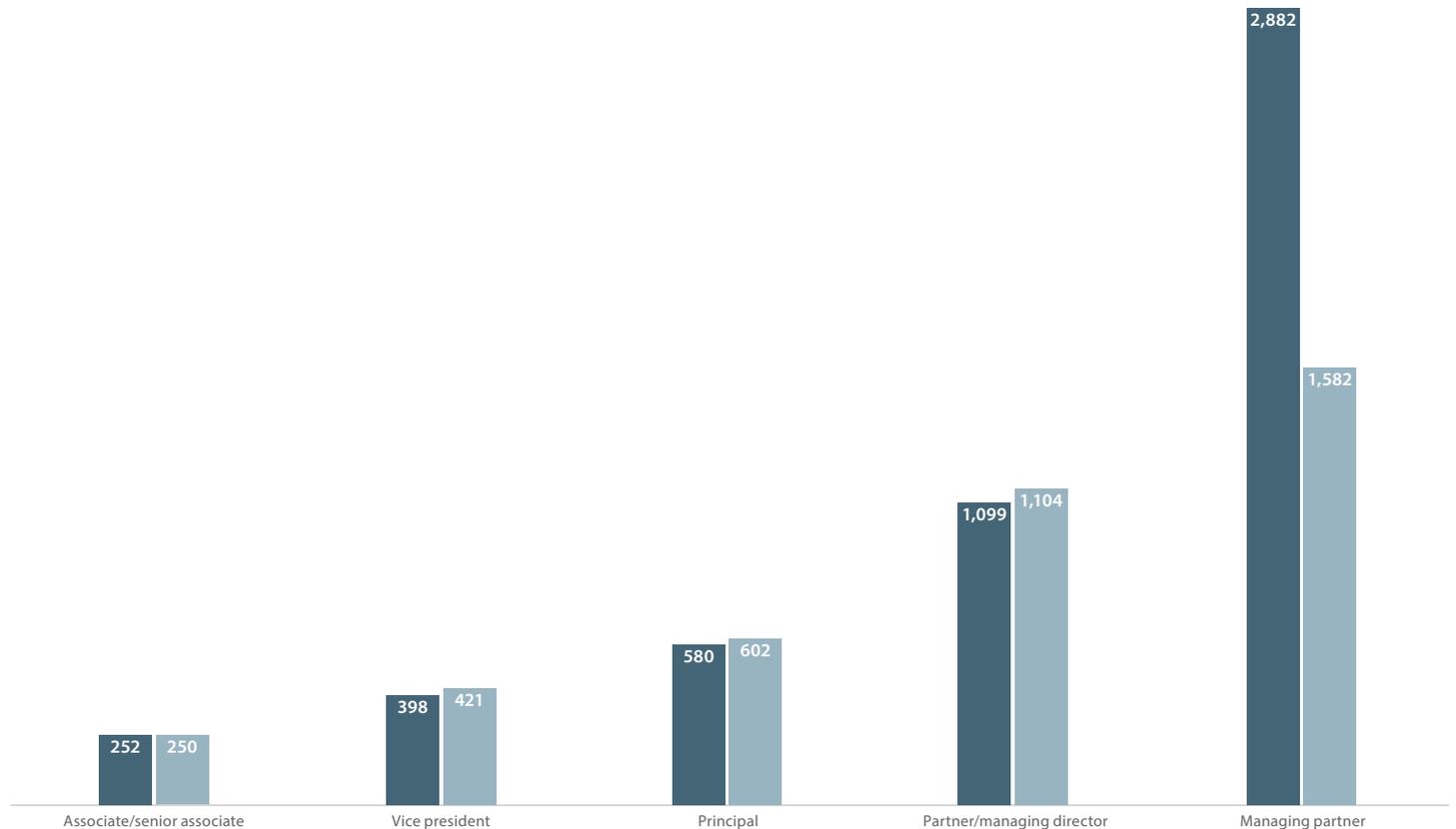
Comparisons of compensation by regions, education, and experience

Our surveys look at compensation by age, experience, and education. It is noteworthy that, while many respondents reported having an MBA, having that degree does not appear to alter compensation at junior levels of employment, where one might expect it to make a difference. There remains a substantial difference in compensation at the managing partner level between those with an MBA and those without.

Total cash compensation by education level (USD, thousands)

Total cash compensation: base 2019 + bonus 2019

■ MBA ■ Non-MBA



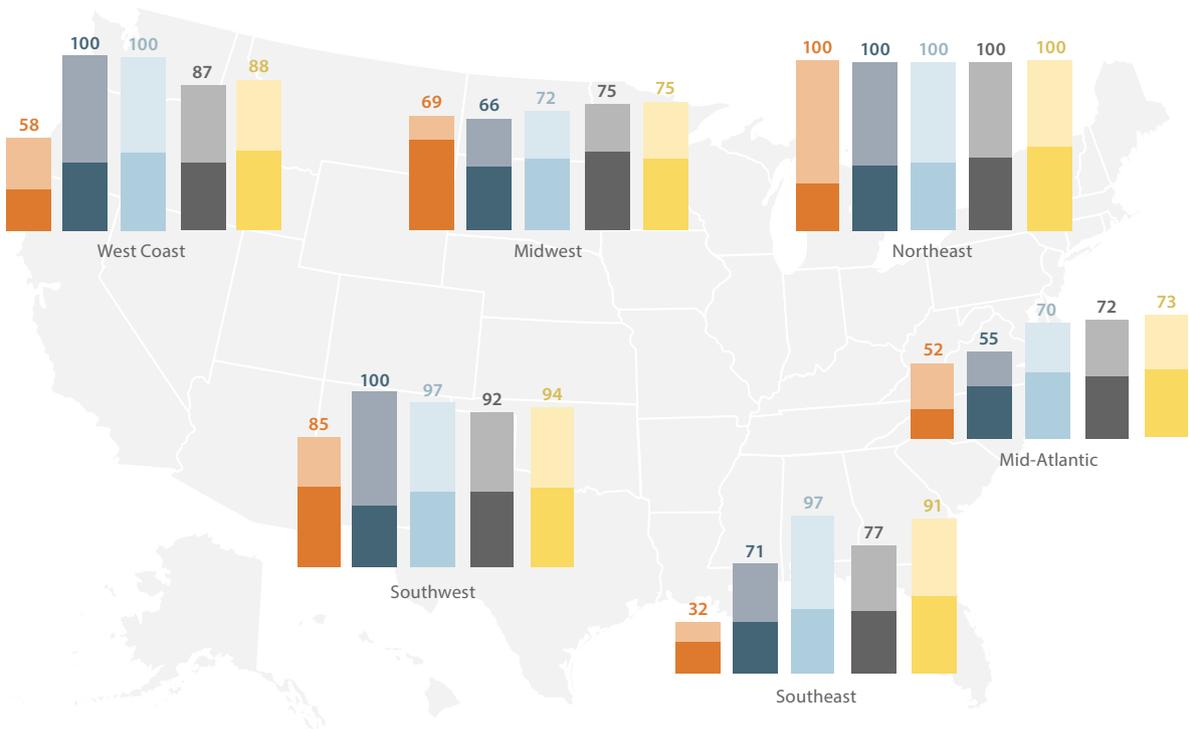
Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 784 investment professionals

Regionally, investment professionals in the Northeast continue to lead their counterparts in other regions in total cash compensation, although West Coast principals did see some gains last year. Principals in the Southeast and Southwest also reported gains, although they remained slightly below those on the West Coast.

Comparison of compensation across US regions

Total cash compensation: base 2019 + bonus 2019

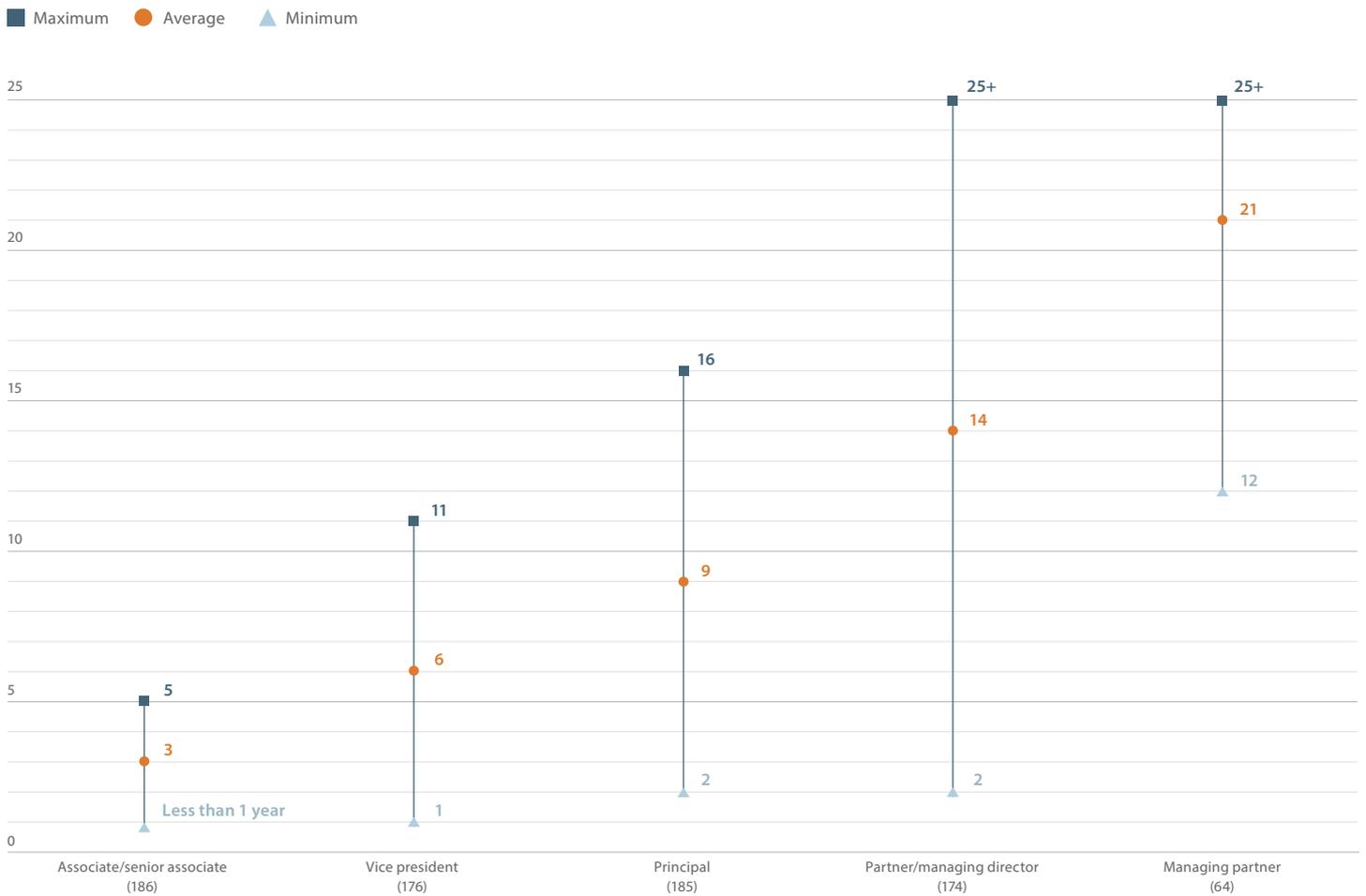
Total cash compensation as it relates to the Northeast
Index: Northeast = 100



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 781 investment professionals

The number of years of PE experience correlates, as always, with professional level. The average number of years of PE experience in 2020 remained largely consistent with last year. The relationship among years of private equity experience, mean total cash compensation, and total carry by AUM shows that, on the whole, the more years of private equity experience and the higher the AUM, the higher the compensation. Professionals with 16 years of experience or more reported sharply higher gains than those with less experience.

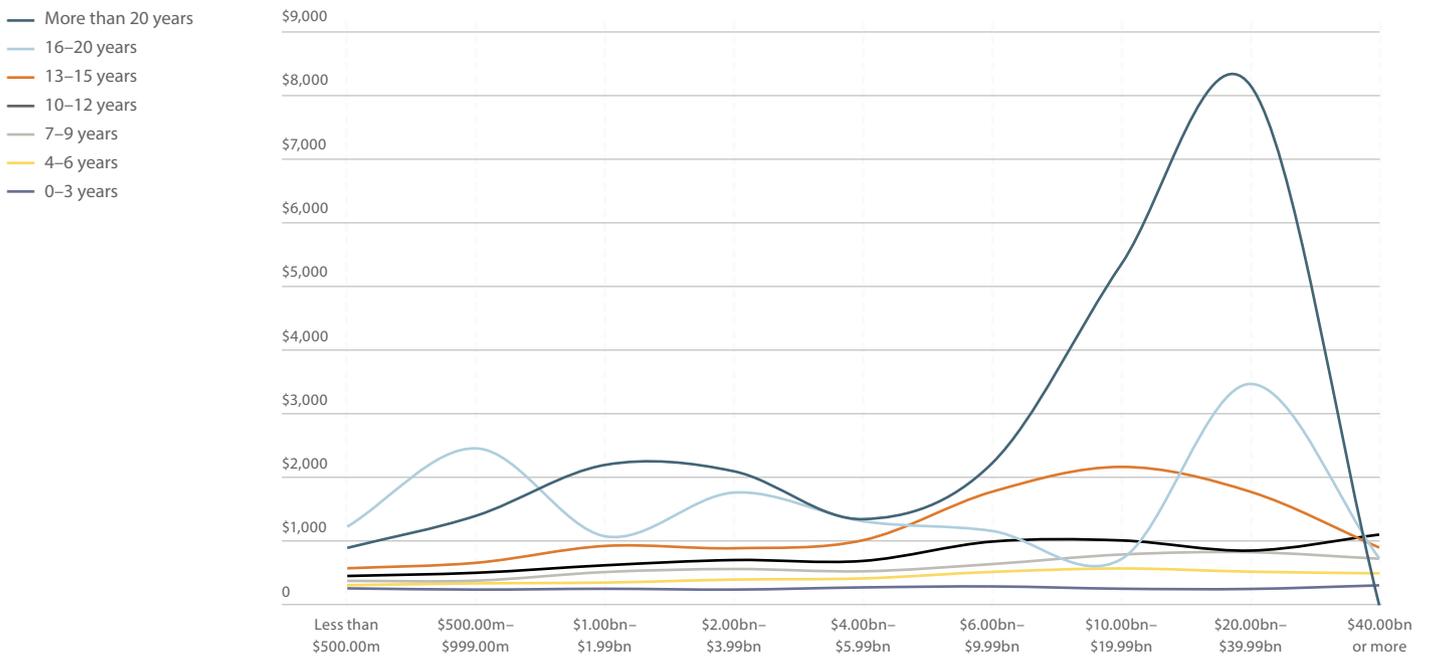
Years of private equity experience



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 785 investment professionals

Years of experience by aggregate AUM and total cash compensation

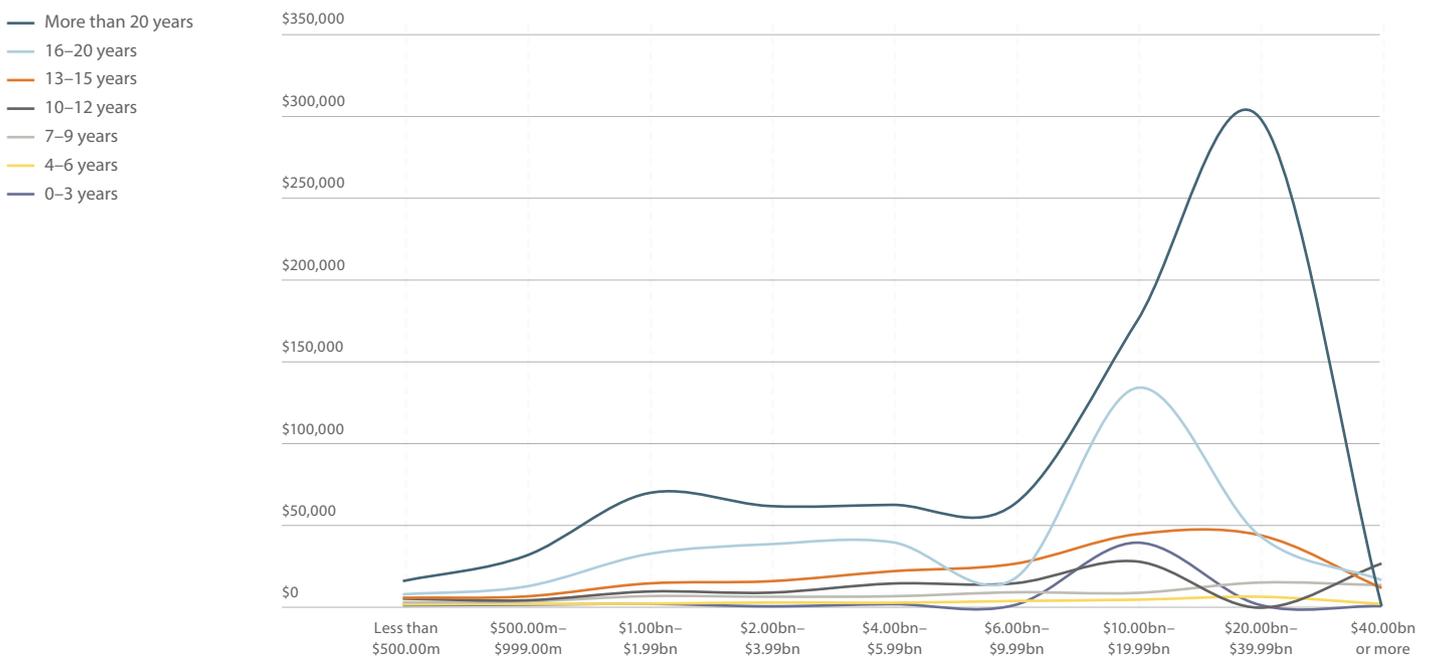
Total cash compensation: base 2019 + bonus 2019



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 785 investment professionals

Years of experience by aggregate AUM and total carry

Carry across all funds



Source: Heidrick & Struggles' North America private equity compensation survey, 2020, n = 588 investment professionals

Private Equity Practice

Heidrick & Struggles' global Private Equity Practice combines a deep understanding of private equity markets with world-class expertise across all major industries and functions to provide a broad range of value-adding services.

We pride ourselves on finding top private equity management talent by recruiting investment professionals, operating partners, and other essential senior managers who support financial growth. Additionally, we work with private equity-backed portfolio companies to bring innovative services designed to meet today's challenges while securing the leadership needed to deliver on tomorrow's strategies.

Our expertise includes due-diligence support, pre- and post-acquisition executive search, leadership assessment, proactive introductions, and the construction of advisory boards for both private equity firms and their portfolio companies. With more than 80 consultants in 50 offices around the world, our team includes functional experts in areas such as technology and operations, finance, human resources, marketing, compliance, risk, and legal infrastructure. Our blend of search and consulting services enables us to develop long-term strategic partnerships that build winning leadership teams and create substantial value.

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