

The multinational management consulting firm McKinsey & Company has traditionally used a job-based compensation system as opposed to a person-based pay structure. Even though McKinsey takes experience and talents into account, especially when employing seasoned experts or outside talent, the salary is still more in line with the position being filled. Rather than, in general, the individual's personal skills, McKinsey & Company primarily employs a work-based pay system, which offers performance incentives and chances for career progression while also assisting in ensuring that compensation and job functions are aligned. This indicates that opposed to focusing on human traits like abilities or performance, which are essential components of a person-based structure, McKinsey's compensation is more directly linked to the particular jobs or job activities that individuals carry out. The company's emphasis on uniformity, transparency, and equity throughout a sizable, international organization is consistent with McKinsey's use of a job-based compensation structure. It encourages workers to do well in their designated responsibilities while assisting the company in maintaining a consistent approach to compensation.

Hierarchical Salary Bands: Depending on the job hierarchy, McKinsey usually has clearly defined salary bands.

2.3.4