

# Global Legal & Compliance Salary Survey 2012/13



Laurence Simons  
International Legal & Compliance Recruitment



## METHODOLOGY

During 2012 Laurence Simons conducted a survey with clients and candidates focusing on remuneration, bonuses and recruitment trends. Over 3,700 legal and compliance professionals were surveyed across the globe from numerous industry sectors.

The salary survey is based on the data received from the online survey, our global database of over 60,000 lawyers, as well as the expertise of our experienced consultants across the globe.

Whilst the survey embraced experienced legal and compliance professionals working across private practice, in-house and financial services, where we received sufficient data we have provided the salary range for each grouping. Unfortunately, this was not possible for all regions.

It is important to note that the salary survey is a useful guide, however if you need any tailored or specific advice, please do contact us directly.



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# Introduction

As a recognised leader in the legal and compliance recruitment market for over 20 years, Laurence Simons has built up one of the most comprehensive networks of clients and candidates in the legal world.

Towards the end of 2012 we used this network to carry out an extensive research project into the salaries and benefits received by lawyers and compliance professionals in key markets around the globe.

We received an overwhelming response from nearly 4,000 legal and compliance professionals in over 60 countries and together with our global database of over 60,000, the material gathered provides the basis of this report, which we hope will be a valuable resource, whether you are looking for a new role or to strengthen your team.

As expected, 2012 was filled with caution across the globe. When respondents to our 2011 survey were asked how they felt about the future of the economy, 56% responded 'pessimistic' whilst only 25% were 'optimistic' - a 30% decrease from 2010. There has been a small uplift in optimism for 2013 with 32% feeling positive about the future of the economy, although this still means three quarters remain uncertain and pessimistic.



Despite some tough times across Europe, there has been positive growth in the BRIC and other emerging market economies – in particular Africa and the Middle East – as US and European law firms and multinationals look to these regions to shore up flat or low growth locally. This has resulted in interesting opportunities for those with experience gained in emerging markets as well as those willing to relocate.

As always, we are keen to hear your feedback. If you have any questions or would like a confidential discussion regarding your career or recruitment plans, please do not hesitate to get in touch.

Kind regards,

A handwritten signature in blue ink that reads "Naveen Tuli".

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Global Managing Director

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## KEY GLOBAL FINDINGS

As a means of introducing this report, we have selected a few findings which we hope you will find interesting.

**12%**

decrease in the number of people that received a bonus in 2012 compared to 2011, although 46% received the same level of bonus year on year.

**1/4**

of the legal workforce will be actively looking for a new job in 2013 with 47% indicating that they would consider a move if the right role presented itself.

**44%**

of legal departments increased headcount in 2012 with 48% expecting to hire in 2013.

**42%**

identified the main recruitment challenge faced in 2012 as sourcing talent with the right skills/experience, far above budget restraints (18%) and retaining staff (8%).

**51%**

of companies include the compliance function as part of the legal department.

**62%**

of organisations would prefer their compliance staff to come from a legal background.

## ABOUT US

Founded in 1988, Laurence Simons is a specialist international legal and compliance recruitment consultancy. Our clearly stated vision is: 'To be the world's leading company in legal and compliance recruitment by quality of service, market reputation, calibre of employees and global coverage'.

Operating across Europe, Russia, the Middle East, Asia, North America and Latin America, Laurence Simons truly is an international recruiter. Our network of offices is unique in the field of legal and compliance recruitment and we have been

pioneering in serving new markets, in particular across Europe, Latin America, the Middle East, Russia and India.

We have effectively recruited in over 65 countries, as a result of our consultants working together to provide a seamless service across continents. We cover the entire spectrum of legal and compliance positions in both the private practice and in-house markets, from newly qualified through to Partner, Chief Legal/Compliance Officer level roles.

The final question of the survey asked respondents to comment on trends they saw in 2012 as well as those that they foresee in the market place in 2013. As you can imagine there were a wide variety of comments, however a few central themes arose more frequently and these are highlighted below.

## CAREER PROGRESSION AND REMUNERATION

Career progression remains a key concern across all locations and at all levels of PQE both within in-house and private practice. Opportunities available to newly qualified lawyers were a topic of much debate with law firms having remained cautious in their hiring which led to increased competition for a limited number of jobs. As a result there is increased interest in in-house positions, with 28% of those within private practice looking to move in-house in 2013. There have also been concerns raised around the standard of legal graduates that law schools are producing.

At the other end of the spectrum, senior in-house counsel expressed dissatisfaction with the flat structure in place within various legal departments, therefore offering little room for career progression. With increasing workloads and companies implementing cost cutting strategies, it is felt that remuneration has not increased in accordance with workloads and that the legal function doesn't always receive the accolade it deserves.

Remuneration is a contentious issue, one which all organisations and firms need to treat with sensitivity and importance. The comments ranged from some companies still implementing pay freezes and staff feeling underpaid through to lawyers wanting to benchmark their salaries against industry norms as well as their equivalent colleagues based in different locations.

With 72% of respondents indicating they will either actively be looking for a new job in 2013 or would consider moving for the right role, organisations need to address these issues to ensure they retain key employees.

## THE FUNCTION OF COMPLIANCE WITHIN THE BUSINESS

There is no doubt that compliance and risk management have become vital functions but a lot of debate has revolved around where compliance actually fits within the business. The results of the Laurence Simons survey show that 62% of organisations prefer their compliance staff to come from a legal background but in reality only 53% actually do. This highlights the short supply of legally qualified compliance professionals and is an issue that will need to be addressed by the legal sector, as the general consensus is that compliance is growing in importance.

One respondent's comment is worth sharing as it summarises the function of compliance: "The demand for compliance specialists has naturally created an increase in market valuation on recruitment, however the quality of skill sets and experience hasn't grown at the same pace. Compliance specialists can't just be regulatory/legal experts, but need to know how to implement, monitor and control commercial activities within their compliance framework showing influence and leadership."

## DIVERSITY AND EQUALITY IN THE WORKPLACE

Diversity and equality in the workplace was mentioned in the comments of the 2011 salary survey and again these issues have been raised. When the word 'diversity' is mentioned, in many cases people immediately relate this to race or ethnicity. Interestingly, the concerns raised by respondents are more focused on gender equality and the ethics portrayed by employers, than they are about racism.

Equality in the workplace remains a key issue for most organisations however some of the comments from respondents raise concern about whether companies are talking more about the problems than they are actually acting upon them. Pay disparity between gender and race as well as career progression seem to be the biggest concerns facing legal professionals.

## EMERGING GROWTH MARKETS

The BRIC economies, the Middle East and Africa have been extensively talked about by legal media in 2012. Many multinationals and law firms have looked to these markets to set up local operations and capitalise on the growth they are experiencing. This has led to an increased demand for talent in the emerging regions but, more often than not, employers are seeking individuals with on the ground experience and demonstrable cultural sensitivity. There has been a noticeable increase in the demand for compliance professionals in these regions for understandable reasons, making compliance an important skill set to have in one's armoury.

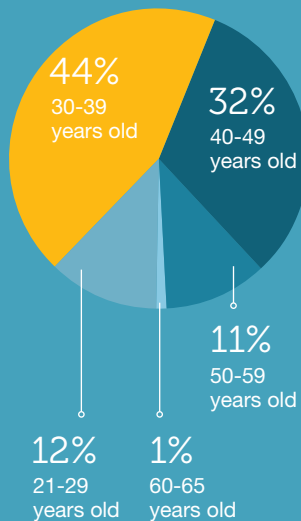
 The demand for compliance specialists has naturally created an increase in market valuation on recruitment, however the quality of skill sets and experience hasn't grown at the same pace. Compliance specialists can't just be regulatory/legal experts, but need to know how to implement, monitor and control commercial activities within their compliance framework showing influence and leadership.

# Demographics of respondents

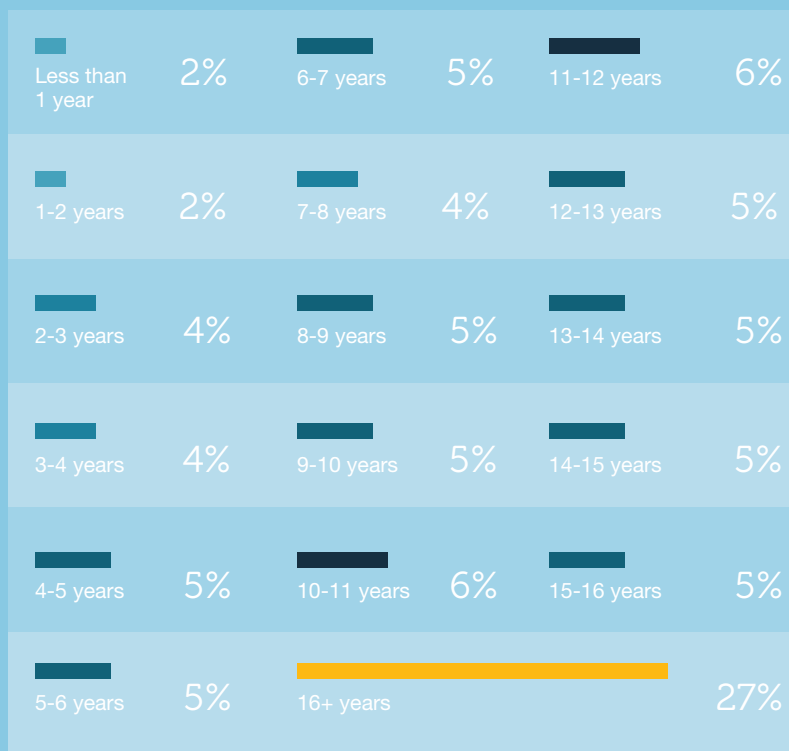
## GENDER



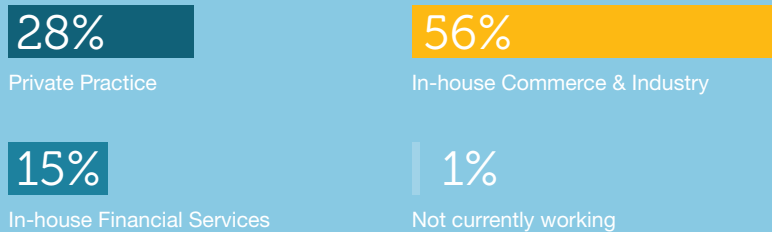
## AGE



## PQE LEVEL



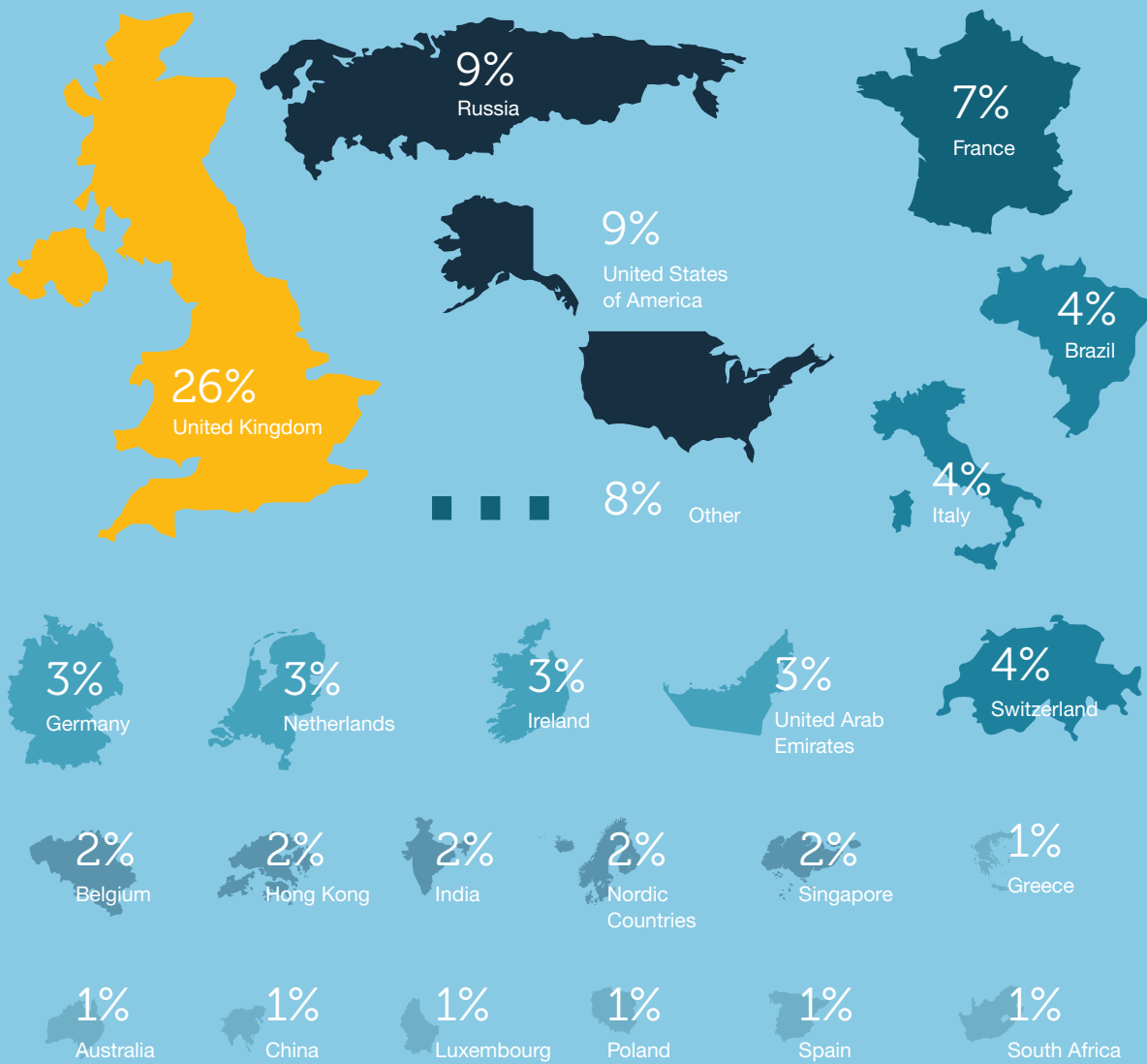
## PRACTICE AREA





# Demographics of respondents

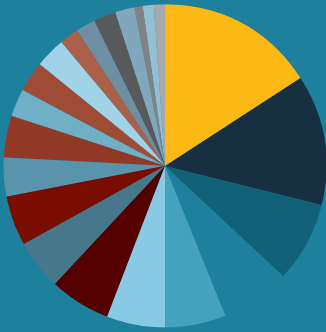
## LOCATION



# Demographics of respondents

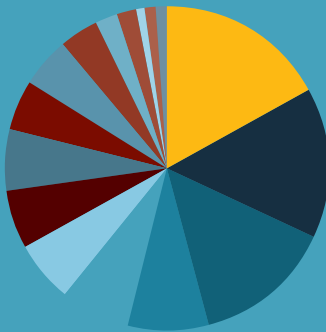
## JOB TITLES

In-house  
Commerce & Industry



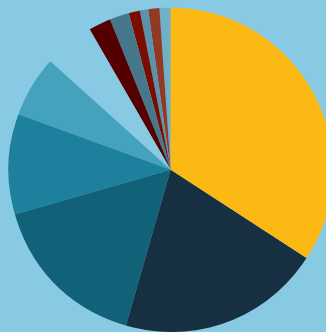
- 5% Assistant General Counsel
- 2% Associate Legal Counsel
- 2% Chief Compliance Officer
- 3% Chief Legal Officer
- 1% Company Secretary
- 3% Compliance Officer
- 3% Corporate Counsel
- 5% Director
- 8% General Counsel
- 6% General Counsel & Company Secretary
- 7% Head of Legal
- 4% Head of Legal & Compliance
- 13% Legal Counsel
- 4% Legal Manager
- 1% Patent Attorney
- 2% Regional Counsel
- 6% Regional General Counsel
- 16% Senior Legal Counsel
- 2% Senior Legal Manager
- 1% Trade Mark Lawyer
- 6% Other

In-house  
Financial Services



- 1% Analyst
- 5% Assistant General Counsel
- 2% Assistant Vice President
- 1% Associate
- 1% Compliance Analyst
- 4% Compliance Manager
- 6% Director
- 17% General Counsel
- 6% Head of Compliance/Chief Compliance Officer
- 8% Legal & Compliance Counsel
- 15% Legal Counsel
- 6% Senior Lawyer
- 14% Senior Legal Counsel
- 2% Senior Vice President
- 5% Vice President
- 7% Other

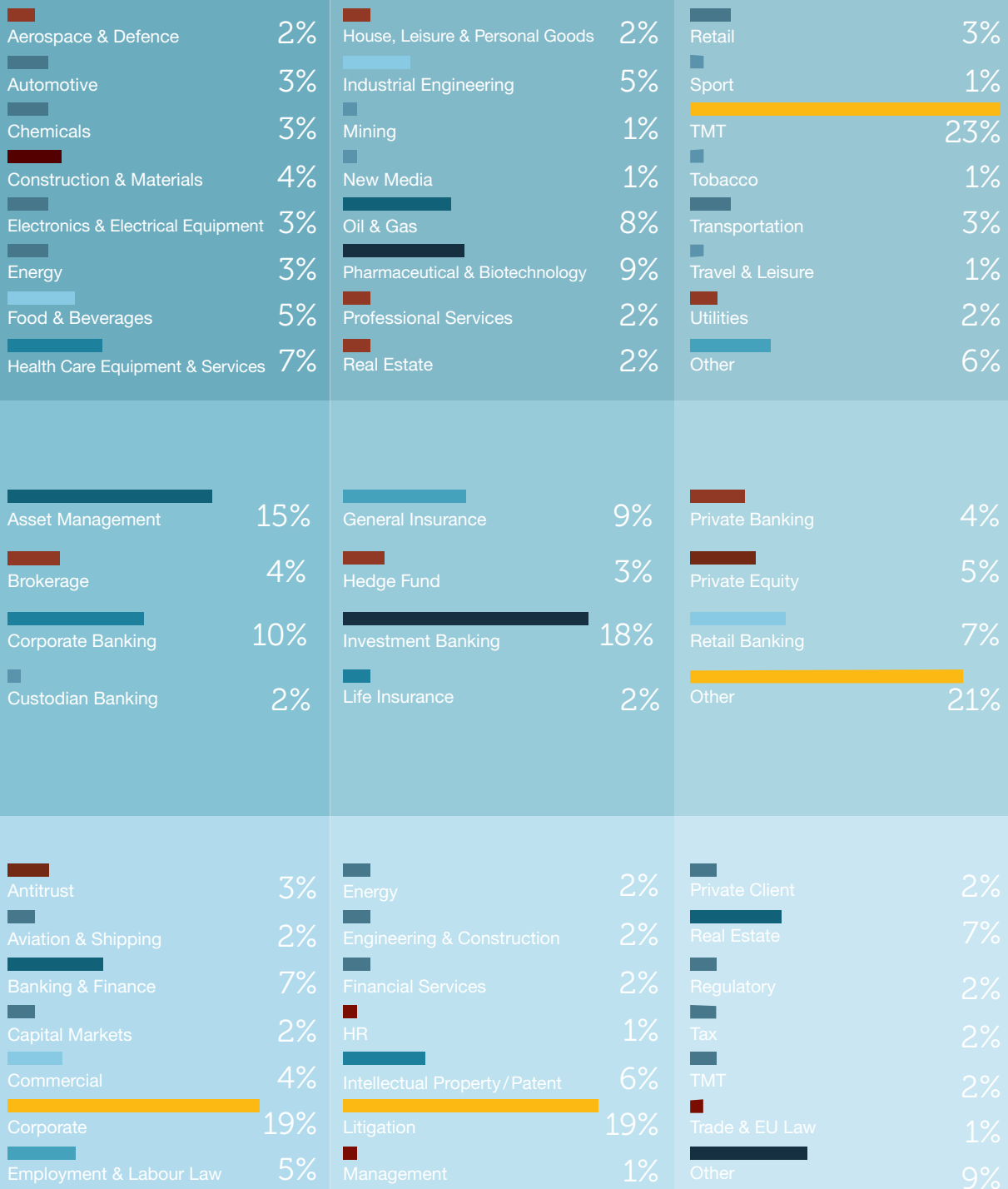
Private Practice



- 34% Associate
- 1% CEO
- 1% COO
- 6% Counsel
- 1% Head of HR
- 2% Managing Partner
- 1% Newly Qualified
- 2% Paralegal
- 16% Partner
- 20% Senior Associate
- 10% Solicitor
- 5% Other

# Demographics of respondents

## SECTOR/DISCIPLINE

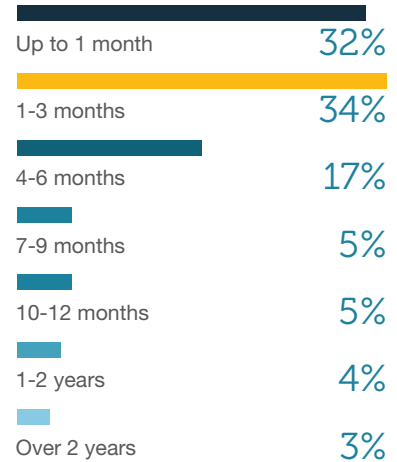


# Current employment

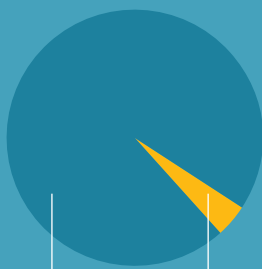
## HOW DID YOU FIND YOUR CURRENT POSITION?



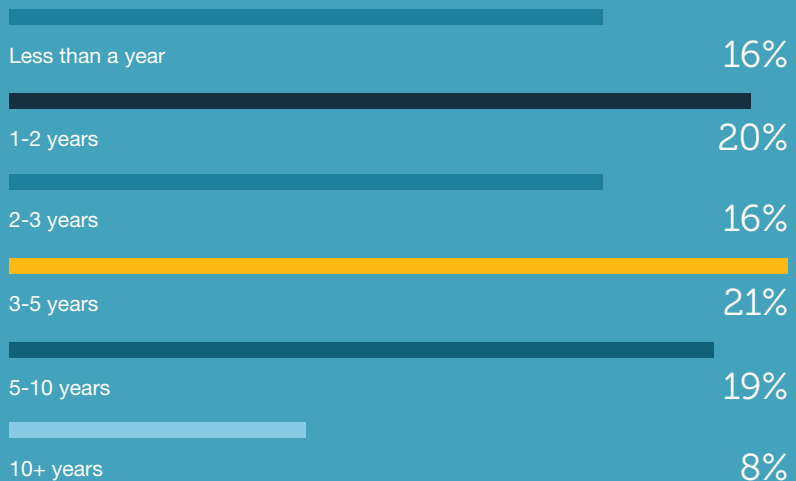
## HOW LONG DID IT TAKE TO FIND YOUR CURRENT POSITION?



## HOW ARE YOU CURRENTLY EMPLOYED?



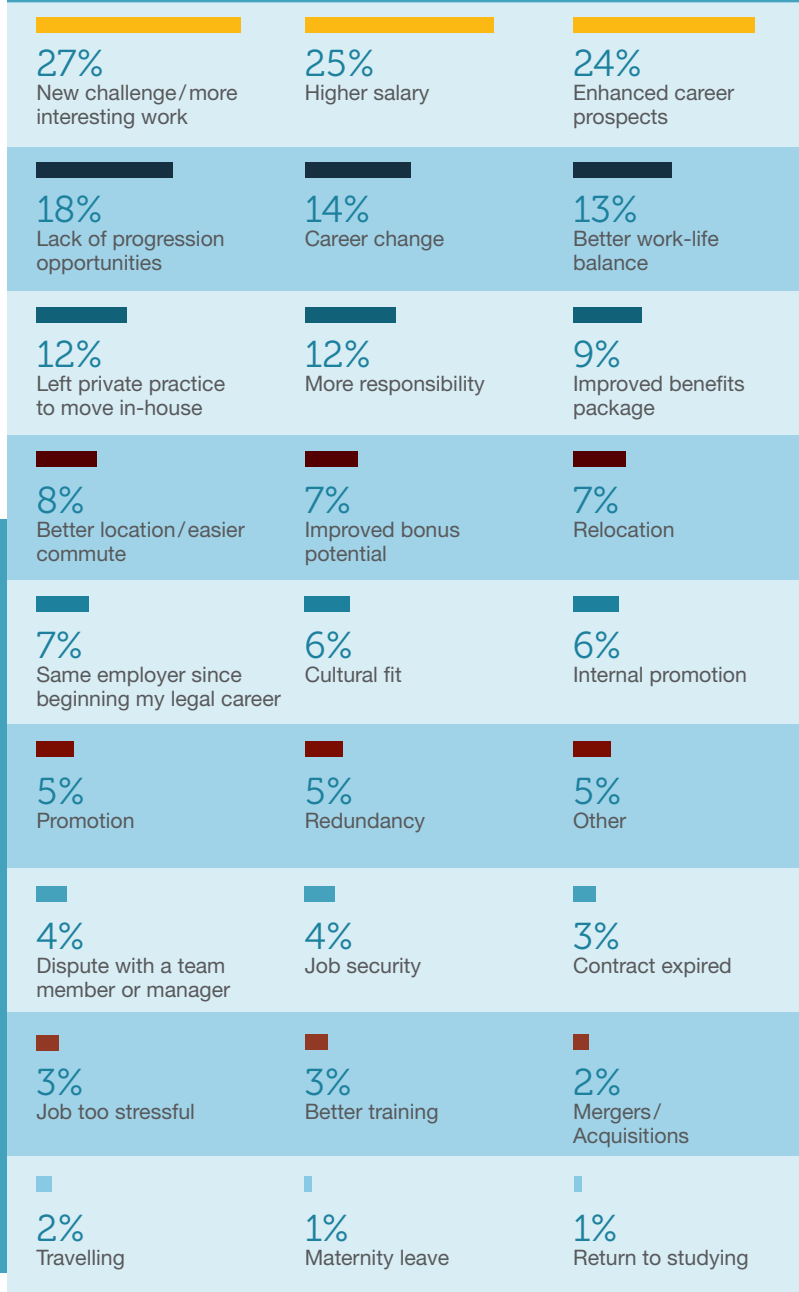
## HOW LONG HAVE YOU BEEN IN YOUR CURRENT ROLE?





# Current employment

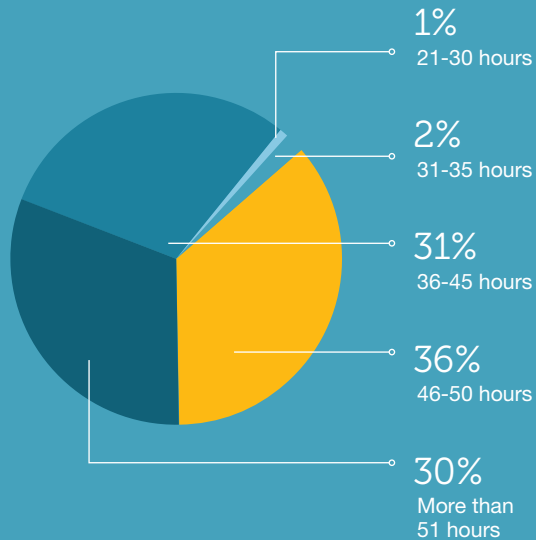
## WHY DID YOU LEAVE YOUR LAST POSITION?



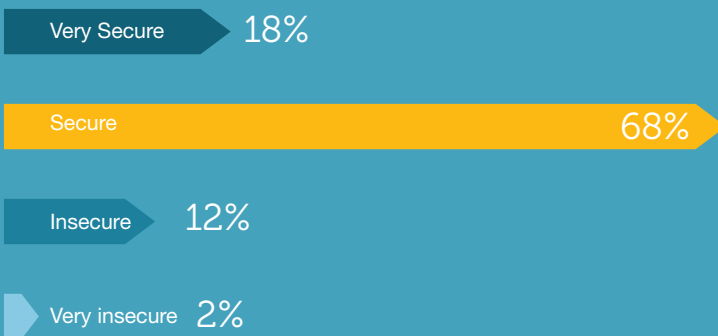
12% of lawyers left private practice to move in-house in 2012 and 8% indicated they will be looking to make the same move in 2013.

# Current employment

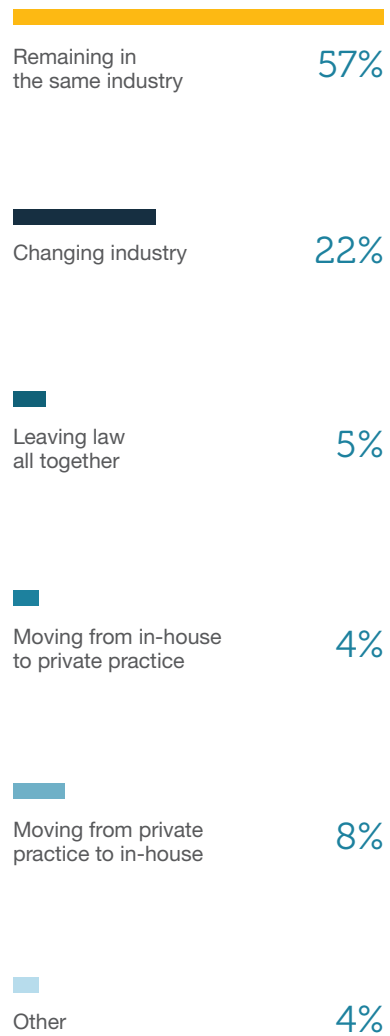
## HOW MANY HOURS PER WEEK DO YOU WORK?



## HOW WOULD YOU RATE YOUR CURRENT JOB SECURITY?



## WHERE DO YOU SEE YOUR CAREER PROGRESSING IN LAW?



# Current employment

## DO YOU ANTICIPATE CHANGING JOBS IN THE NEXT 12 MONTHS?

**YES**

25%

I will actively be looking for a new role

**MAYBE**

47%

If the right opportunity presents itself

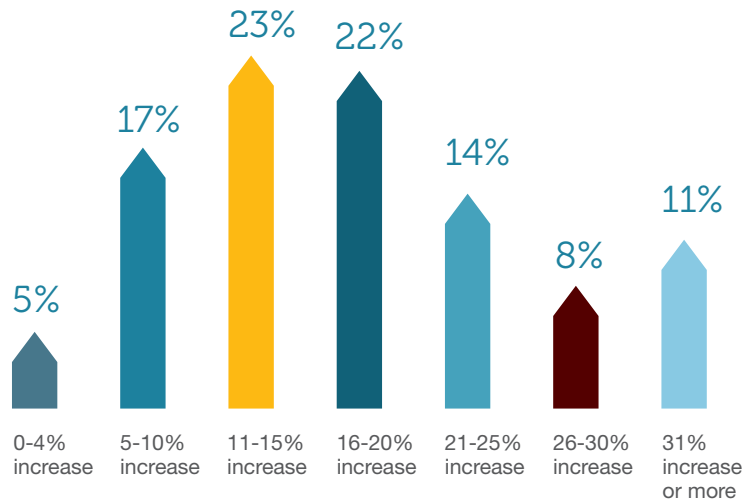
**NO**

28%

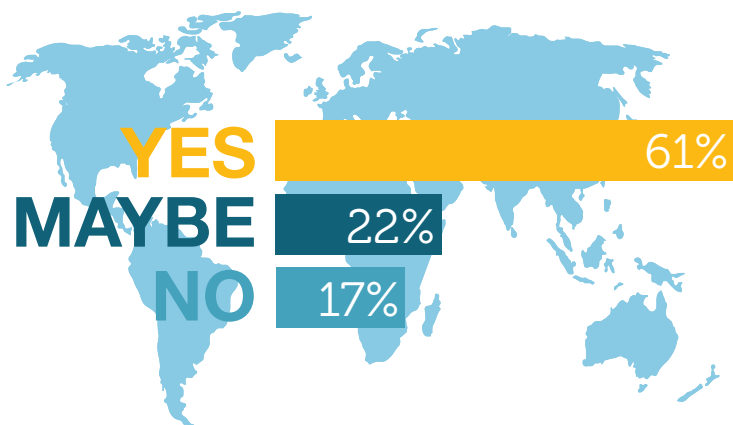
I will not actively be looking for a new role

With 72% of legal professionals either actively looking for a new role in 2013 or open to considering a move for the right opportunity, retention of key employees will be crucial.

## WHAT DO YOU PERCEIVE TO BE AN ACCEPTABLE INCREASE IN BASIC SALARY WHEN CONSIDERING A NEW ROLE?

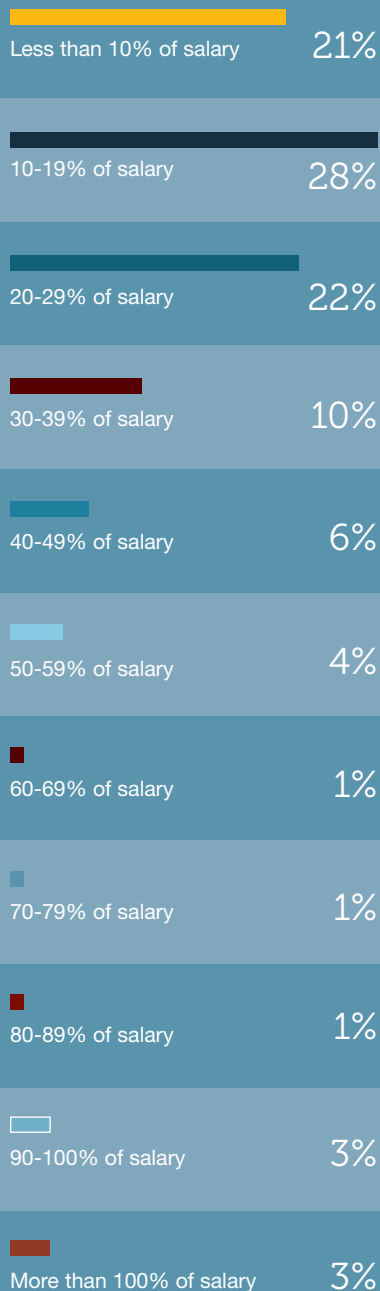


## WOULD YOU CONSIDER RELOCATING INTERNATIONALLY FOR A SUITABLY ATTRACTIVE OPPORTUNITY?

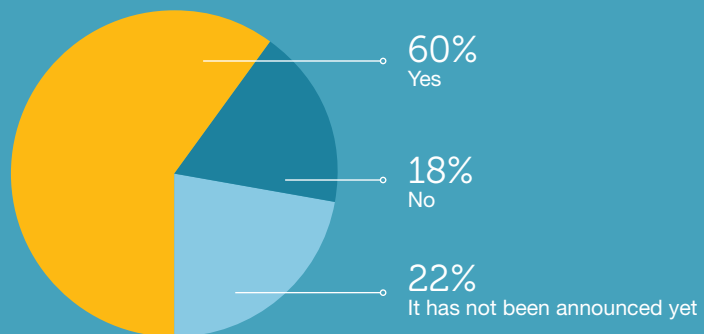


# Bonus

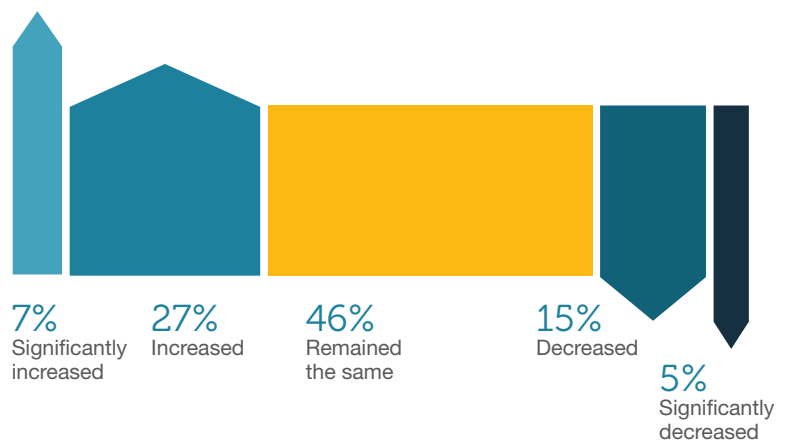
## WHAT BONUS DID YOU RECEIVE AS A PERCENTAGE OF YOUR ANNUAL SALARY?



## DID YOU RECEIVE A BONUS THIS YEAR?

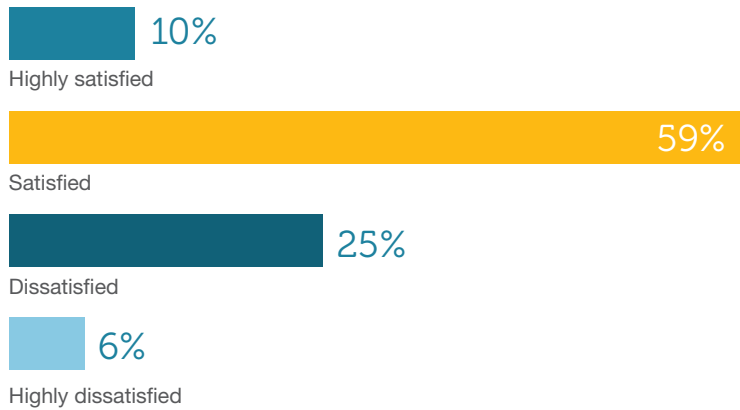


## HOW DID THIS DIFFER FROM LAST YEAR'S BONUS?

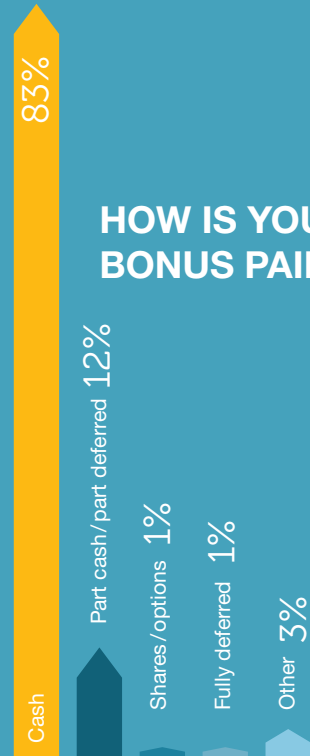




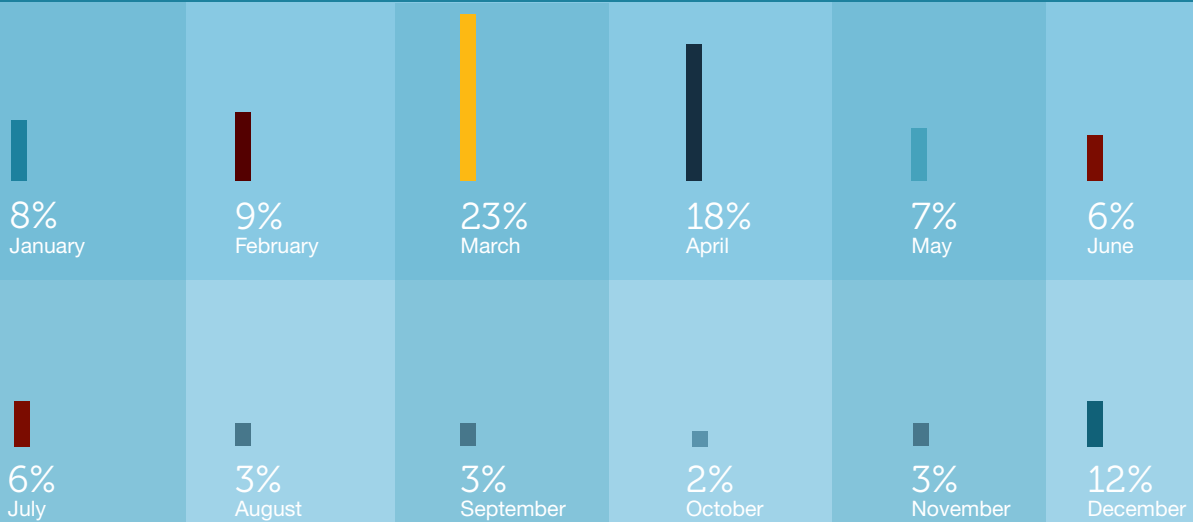
## HOW WOULD YOU ASSESS YOUR LEVEL OF SATISFACTION WITH YOUR BONUS?



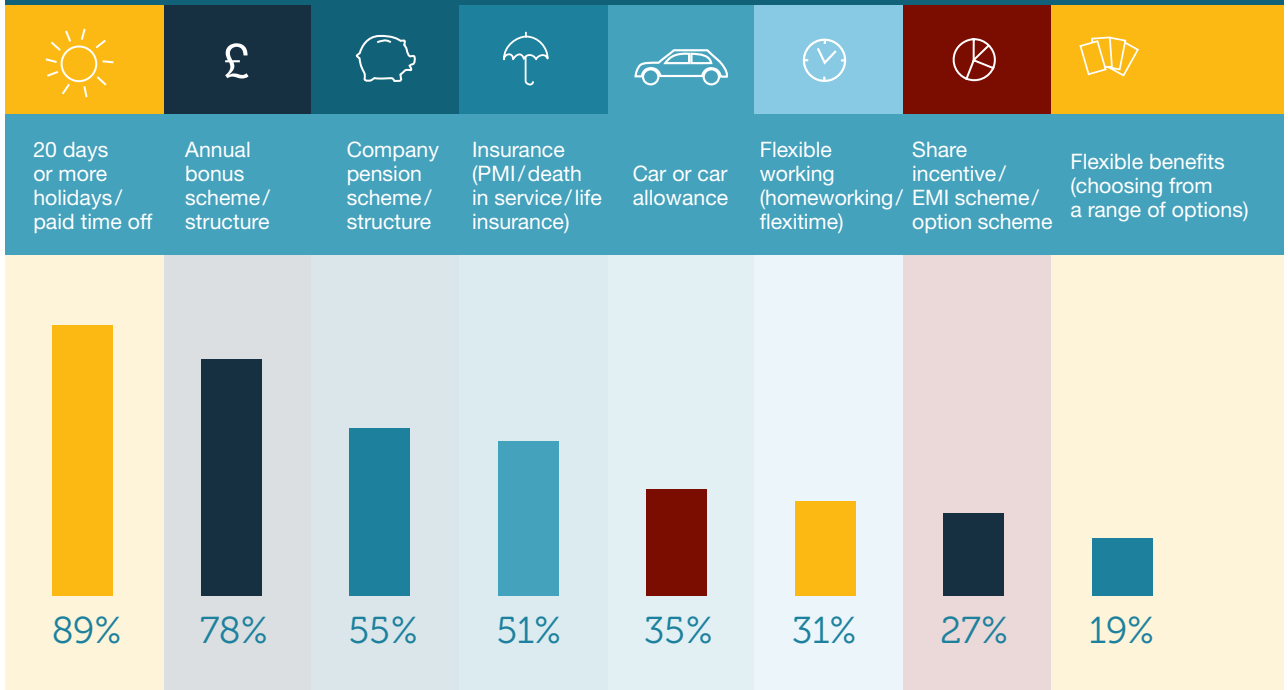
## HOW IS YOUR BONUS PAID?



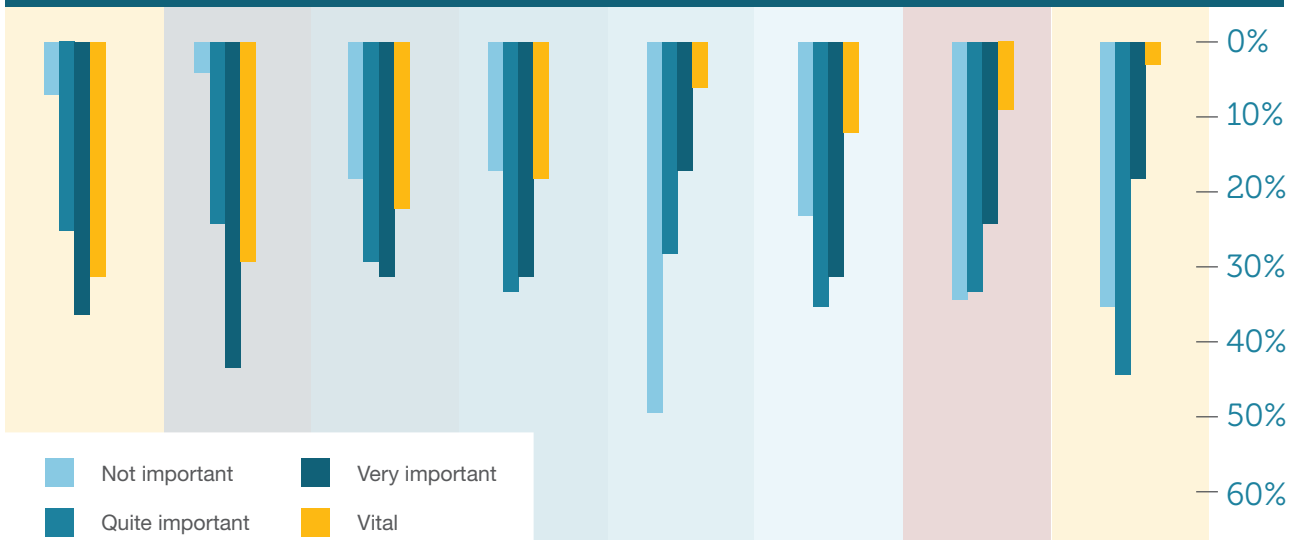
## IN WHAT MONTH IS YOUR BONUS PAID?



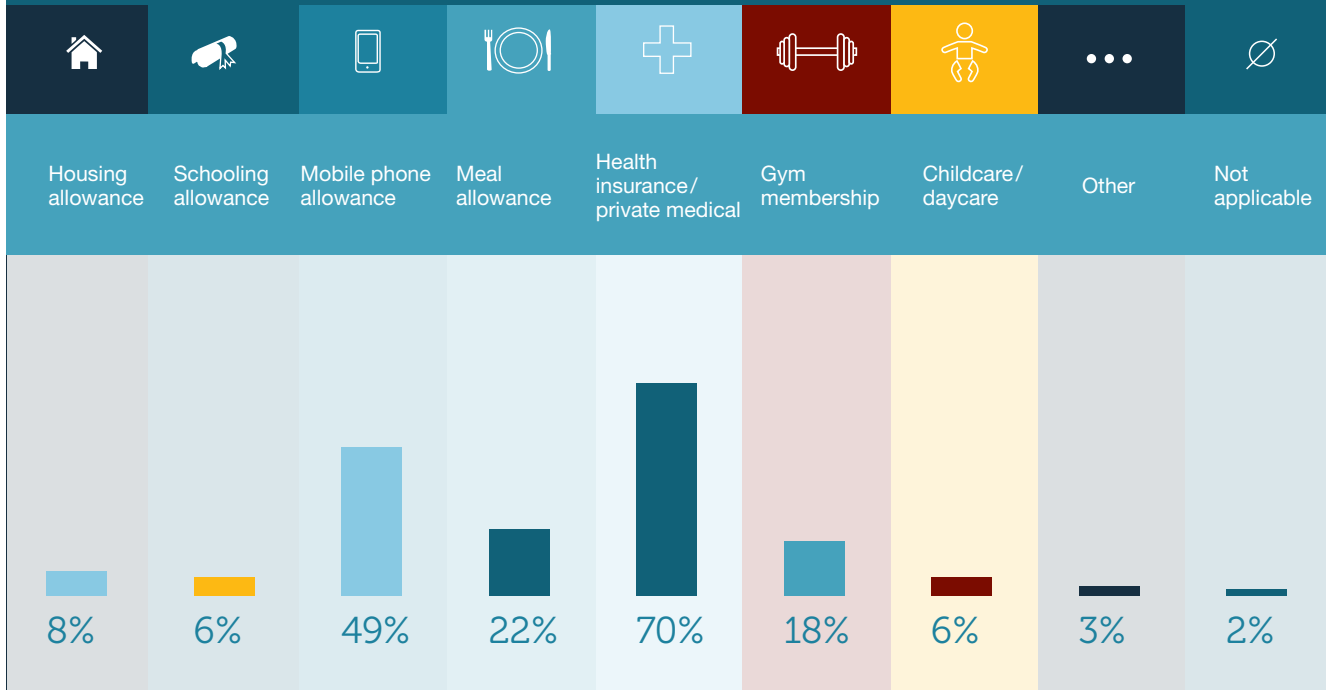
## WHICH OF THE FOLLOWING BENEFITS ARE INCLUDED IN YOUR CURRENT PACKAGE?



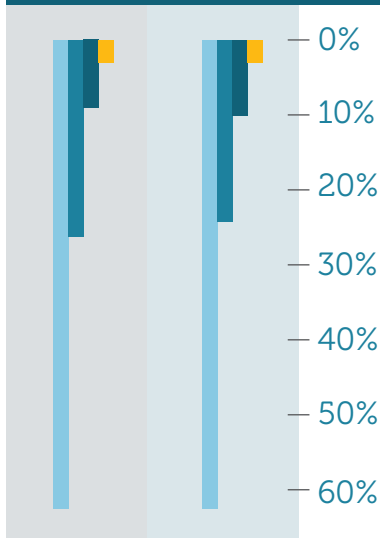
## HOW IMPORTANT ARE EACH OF THE FOLLOWING EMPLOYEE BENEFITS TO YOU, WHEN CONSIDERING A NEW ROLE?



## WHICH OF THE FOLLOWING BENEFITS ARE INCLUDED IN YOUR CURRENT PACKAGE? (CONTINUED)



## HOW IMPORTANT ARE EACH OF THE FOLLOWING EMPLOYEE BENEFITS TO YOU, WHEN CONSIDERING A NEW ROLE? (CONTINUED)



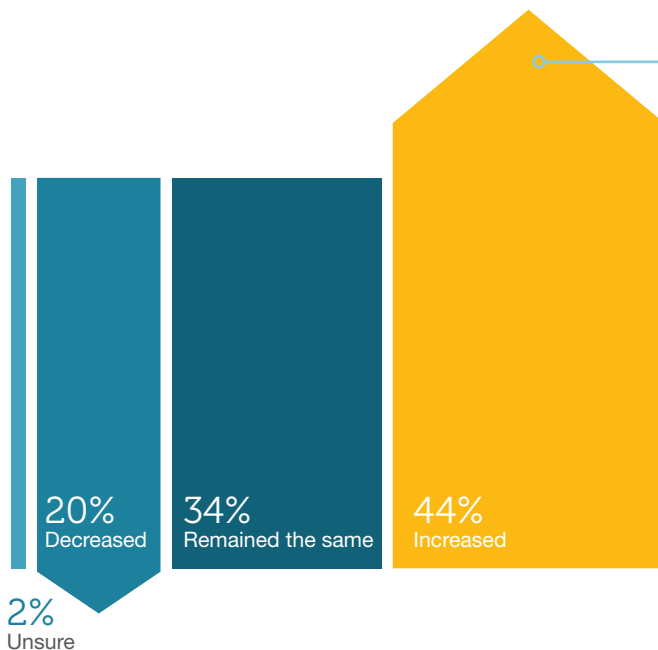
78% have an annual bonus scheme/structure as part of their current package although only 60% received a bonus in 2012.

# Headcount

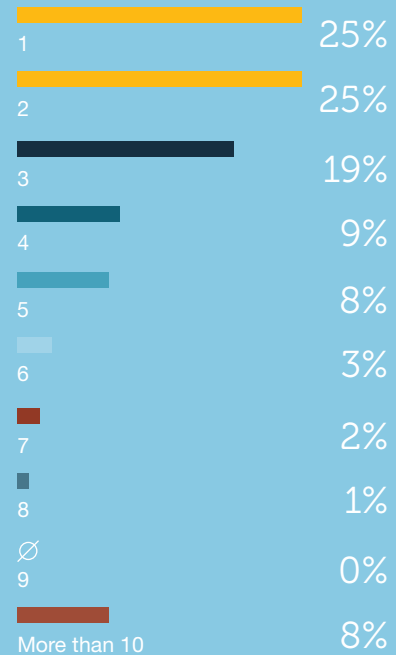
## HOW MANY PEOPLE ARE THERE IN YOUR LEGAL TEAM/PRACTICE GROUP?



## HOW HAS THE NUMBER OF STAFF IN YOUR DEPARTMENT CHANGED OVER THE PAST 12 MONTHS?



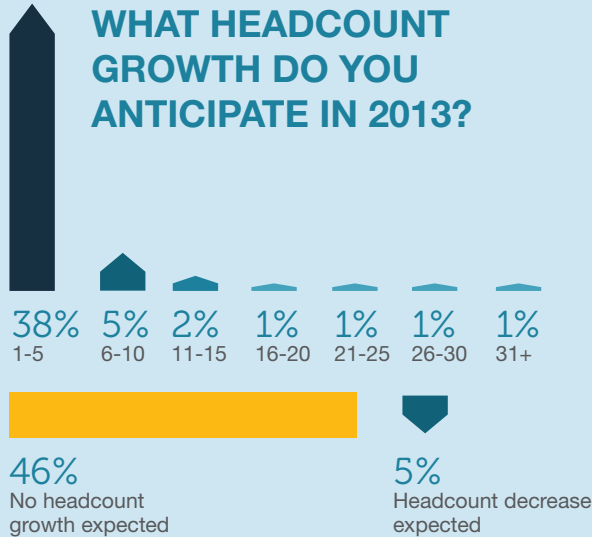
## HOW MANY NEW HIRES WERE MADE?



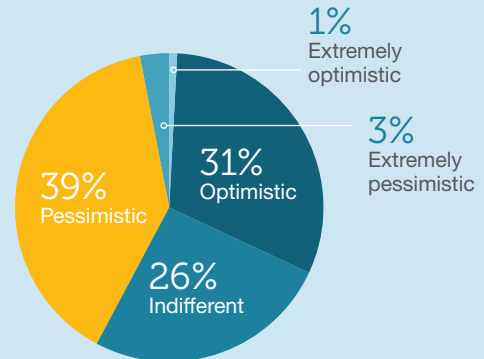


# Headcount

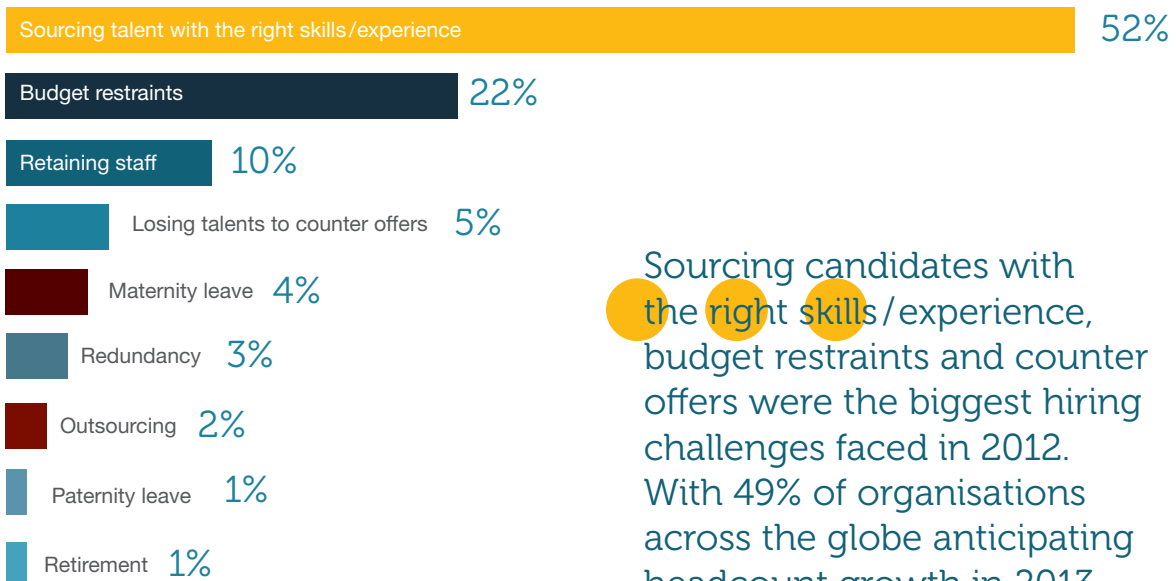
## WHAT HEADCOUNT GROWTH DO YOU ANTICIPATE IN 2013?



## HOW ARE YOU FEELING ABOUT THE FUTURE OF THE ECONOMY OVER THE NEXT 12 MONTHS?

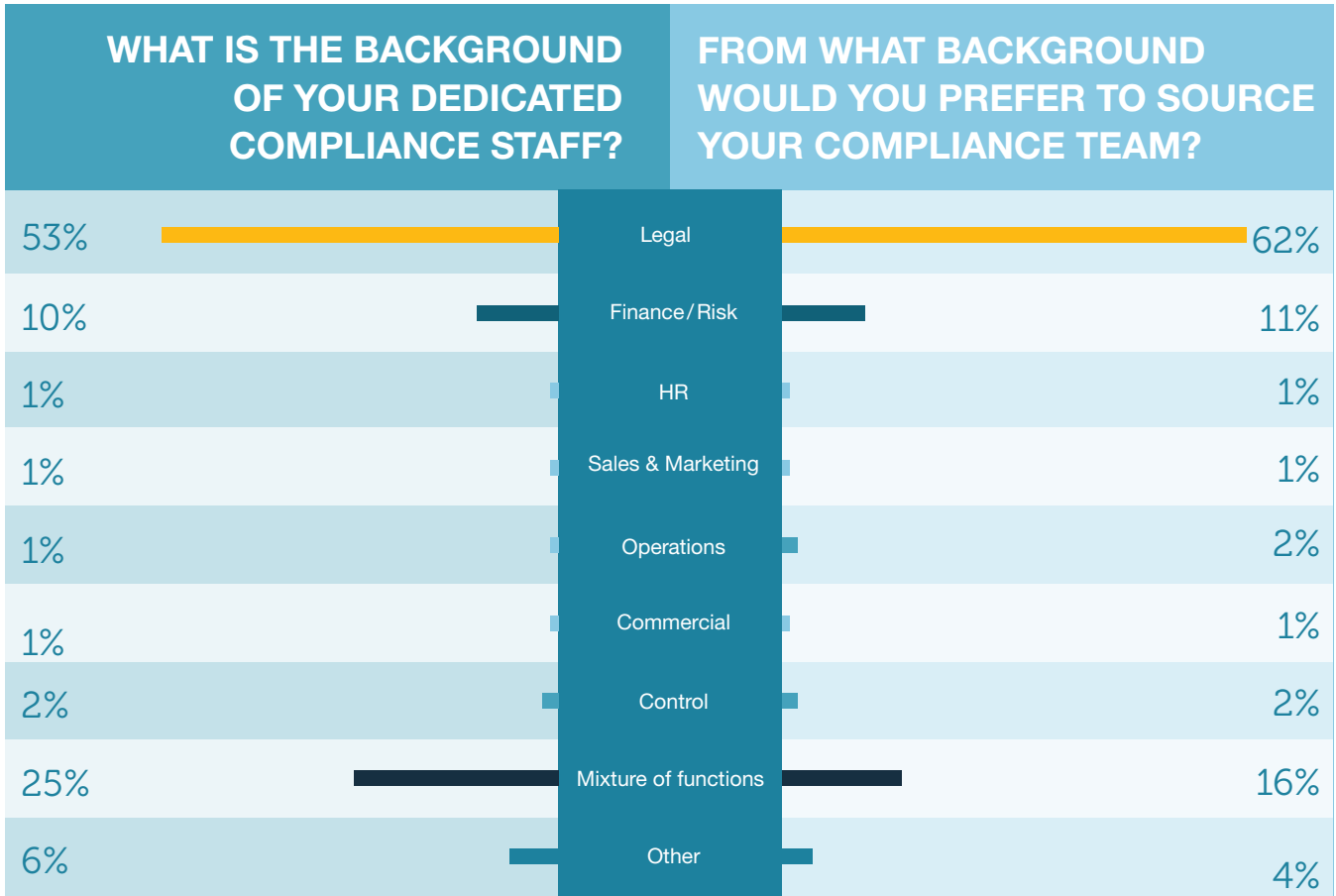
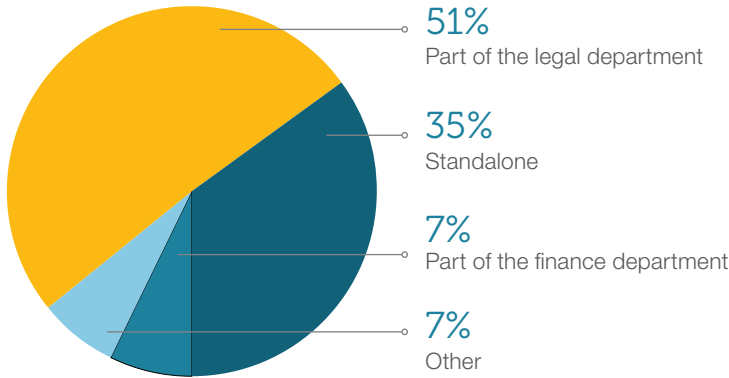


## WHAT HAS BEEN YOUR BIGGEST RECRUITMENT CHALLENGE IN THE PAST 12 MONTHS?



Sourcing candidates with the right skills/experience, budget restraints and counter offers were the biggest hiring challenges faced in 2012. With 49% of organisations across the globe anticipating headcount growth in 2013, recruitment planning will be vital in securing talent.

## IS COMPLIANCE A STANDALONE FUNCTION OR PART OF ANOTHER DEPARTMENT?



# HOW TO NEGOTIATE A SALARY INCREASE

The last few years have been challenging particularly within the financial services sector. Despite the common misconception that there are an abundance of candidates looking for new roles, there has been a shortage of strong, seasoned professionals with the required level of experience, particularly within the investment banking arena.

Many of the best candidates are being retained in their current roles and have been reluctant to lift their head above the parapet to look at new roles, preferring the stability of their current position. This coupled with new regulations coming from the FSA and SEC has put an increased demand on the need for strong compliance professionals, particularly at the AVP and VP level within the fixed income advisory and client money space.

When considering a move, it is important for compliance professionals to consider how they are going to negotiate their salaries when the opportunity presents itself. Whilst most compliance professionals are well placed to command competitive salaries as their skill sets are in high demand, they must be careful to strike a balance between looking for a competitive salary increase whilst also taking into consideration the cautious nature of the market.

So what is the best way to negotiate your salary?

Whether you are looking to increase your salary in your current role or to negotiate a raise in your next role, the tactics used to achieve your end goal are predominantly the same.


- **Know your market value** – using sources like the Laurence Simons salary survey will enable you to know what your true worth is and to benchmark your remuneration against the market value.
- **Evidence is key** – your negotiation will run much smoother if you have examples of similar roles being recruited in the market that are paying higher salaries than what you are currently on or being offered.
- **Have a figure in mind from the beginning** – know what salary you would like to be earning and make this clear to the recruiter or employer from the outset. It is very difficult to negotiate upwards once an offer is already on the table.
- **Consider the whole package** – being paid a high salary is great but there are instances where company benefits make up a significant proportion of remuneration. Some employers may be willing to negotiate an increase in salary and a decrease in benefits and visa versa – you won't know unless you ask.
- **Consider your other options** – ensure that you don't settle for something less than what you know you deserve, having a plan B is always advisable and will make you a much better negotiator.
- **Always be honest** – all negotiation requires a certain amount of "game face" but remember to remain honest and open throughout the process, particularly when disclosing your current salary.



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## LIFE SCIENCES

The life sciences market in the UK experienced a limited but consistent flow of opportunities at all levels during 2012. This was despite some well publicised redundancies, the continued trend of large mergers and the knock-on effect of integration and reorganisation.

With the increase in focus on creating a lean legal department, there was an increase in the demand for junior lawyers and paralegals, particularly to assist with day to day contractual work. Candidate supply at this level did not meet demand, which has led organisations to consider other sector focuses and functional backgrounds.

Remuneration within the life sciences sector remained fairly constant with only very slight salary increases being experienced in 2013.

## In-house | Life Sciences

PQE	Median Salary Range
0-1	£40,000 - 47,000
2-3	£50,000 - 65,000
4-5	£62,000 - 80,000
6-7	£73,000 - 88,000
8-9	£82,000 - 105,000
10-11	£90,000 - 110,000
12-13	£102,000 - 115,000
14-15	£120,000+
Head of Legal	£93,000 - 155,000
General Counsel	£200,000+

## ENERGY

As was the case in 2011, the energy sector remained more buoyant than other areas, although the majority of the demand was in oil and gas as opposed to renewables or utilities.

Although ever fluctuating oil and gas prices continue to influence the fortunes of the major energy companies, most are sufficiently cushioned and thus able to focus on medium to long term hiring strategies. Accordingly, oil and gas companies have continued to recruit although competition for in-house roles has remained fierce, resulting in organisations being able to practice a level of caution when hiring and hold out for the most suitable candidates.

Contrastingly, the renewables and utilities industries fared less well. Turnover in utility companies remained lower whilst the renewable sector continued to struggle as the reality of the state of the economy took precedence over more lofty environmental considerations.

Going forward, it is expected that the current status quo will remain with oil and gas being the dominant area within the energy sector and the demand for mid-level lawyers as opposed to more senior (or junior) counsel being the reality.

## In-house | Energy

PQE	Median Salary Range
0-1	£49,000 - 56,000
2-3	£54,000 - 64,000
4-5	£63,000 - 79,000
6-7	£77,000 - 95,000
8-9	£94,000 - 111,000
10-11	£110,000 - 138,000
12-13	£125,000 - £148,000
14-15	£145,000+
Head of Legal	£135,000 - 190,000
General Counsel	£250,000+

## UK IN-HOUSE KEY FINDINGS

**29%**

of those considering a new role in 2013, will be expecting between 11% and 15% increase in basic salary.

**67%**

of in-house lawyers in the UK received a bonus in 2012, of which 26% received between 20% and 29%.

**45%**

indicated that their bonus remained at the same level as 2011 although a third of in-house lawyers did see an increase year on year.

## FMCG & RETAIL

2012 was a difficult year for the British high street as well as for fast moving consumer goods (FMCG) organisations. The continual Eurozone crisis coupled with the weaker than expected US recovery led to low consumer confidence levels and limited disposable income. Although this affected many industries, luxury brands were perhaps the hardest hit with consumers limiting their spending to necessities rather than indulgences.

With a few notable exceptions, the FMCG and retail recruitment market has been relatively weak with hiring being limited to replacement hires and salaries remaining static. Whilst in 2011 the exceptions included companies exposed to emerging markets, as well as luxury goods manufacturers, this trend did not continue into 2012 and it was only those companies with good management and in-demand products that continued to weather the storm.

Prospects will only improve once consumer confidence begins to increase on a sustained basis.

## In-house | FMCG & Retail

PQE	Median Salary Range
0-1	£43,000 - 48,000
2-3	£47,000 - 61,000
4-5	£61,000 - 74,000
6-7	£71,000 - 85,000
8-9	£86,000 - 99,000
10-11	£95,000 - 116,000
Head of Legal	£110,000 - 140,000
General Counsel	£148,000+

**75%**

of in-house lawyers in the UK were satisfied with their bonus level in 2012.

**24%**

have been in their current role for between 5 and 10 years with 12% indicating they have been with the same employer for over 10 years.

**30%**

of in-house lawyers left their last position in search of more interesting and challenging work.

**5%**

relocated in 2012 despite 73% indicating they would consider relocating abroad for the right role in 2013.

**5%**

of lawyers working in in-house legal departments will be looking to leave law altogether in 2013.



## TMT

TMT is both a diverse and pervasive sector and as a consequence, better able to weather the economic situation than most. Accordingly, recruitment in this sector continued to buck the general trend.

Technology companies continued to hire and whilst one might have expected media companies to have struggled in 2012, there was a reasonable level of activity in this area. This is not to say that it was an easy year and the much publicised struggles of various high profile technology multinationals are testament to the difficult conditions in which these companies are operating.

More specifically, mid-level lawyers remain the most desirable but with overall demand still limited, only the best candidates were able to find new roles in 2012. Generally speaking, companies are interested in the full range of IT/technology experience although outsourcing lawyers, in particular, remain in short supply.

Whilst the TMT sector has fared better than others, demand has not been sufficient to outweigh the ever present need to control costs and as a consequence, salaries for the most part have not changed. Benefits packages also remain largely similar to previous years, and it is anticipated that salaries and benefits will continue to remain static well into 2013.

## In-house | TMT

PQE	Median Salary Range
0-1	£47,000 - 53,000
2-3	£52,000 - 67,000
4-5	£58,000 - 75,000
6-7	£75,000 - 85,000
8-9	£84,000 - 96,000
10-11	£87,000 - 111,000
12-13	£114,000 - 134,000
14-15	£131,000+
Head of Legal	£115,000 - 155,000
General Counsel	£180,000+

**21%**

will actively be looking for a new job in 2013 with 48% being open to moving if an appropriate opportunity presented itself.

**43%**

feel pessimistic about the future of the economy over the next 12 months with 31% stating they feel indifferent about the subject.

**52%**

of legal departments in the UK experienced headcount growth in 2012, with the highest proportion (29%) indicating that their team grew by 2 additional lawyers.

**41%**

are anticipating headcount growth of between 1 and 5 additional hires in 2013, although 49% expect no growth and 5% foresee a decrease in staff levels.

## In-house | Professional Services

PQE	Median Salary Range
0-1	£37,000 - 45,000
2-3	£45,000 - 60,000
4-5	£55,000 - 75,000
6-7	£65,000 - 85,000
8-9	£85,000 - 95,000
10+	£90,000 - 115,000
General Counsel	£125,000+

## PROFESSIONAL SERVICES

The professional services market was slower than others but with a steady flow of roles being recruited throughout 2012. The majority of legal departments trimmed their legal teams down, maintaining a lean level of headcount and hiring only for strategic reasons. Where hires were made, organisations sought after thought leaders that brought with them practical skills and experience, as well as innovative ideas.

There was an uplift in the number of organisations looking to increase headcount abroad, often as a key regional contact for their teams in Asia or the Middle East.

A demand remains for candidates with data protection or compliance skills as well as solicitors with four to seven years' post qualified experience. Candidates from an IT background or indeed those from private practice are often attractive to those hiring in professional services and competition for these professionals can be fierce. Organisations have had to focus on establishing clear career progression plans to entice and retain key talent.

As with most sectors in the UK, the professional services space has been challenged by difficult economic conditions and organisations have

had to concentrate on retention which in many cases has been in the form of regular salary reviews.

2013 does not appear to offer much change within professional services, with companies remaining cautious and no major recruitment drives being anticipated. Salaries are likely to remain at similar levels to 2012 although employees may be able to negotiate pay rises in cases where they are seen to be difficult to replace.

## In-house | Compliance

PQE	Median Salary Range
0-1	£32,000 - 44,000
2-3	£38,000 - 60,000
4-5	£51,000 - 75,000
6-7	£68,000 - 88,000
8-9	£73,000 - 90,000
10-11	£87,000 - 115,000
12-13	£105,000 - 125,000
14-15	£125,000+
EMEA Compliance Director	£90,000 - 180,000
Chief Compliance Officer	£200,000+

**28%**

of organisations have a standalone compliance function within their business.

**57%**

of companies include the compliance function as part of the legal department and only 6% place compliance within the finance division.

**46%**

indicated that their current compliance staff come from legal backgrounds although 53% would prefer to source compliance professionals from the legal space.

## COMPLIANCE

There was significant recruitment activity within the compliance area in 2012 with many organisations looking to bolster their internal regulatory functions and some introducing regional compliance departments outside of their central hubs. Larger companies have also reacted to the requirements and possible implications of the UK Bribery Act, particularly those parts that potentially go beyond those of the US FCPA.

28% of organisations indicated that they currently have compliance as a standalone function within their business and it is anticipated that this trend will continue in 2013.

57% of companies choose to incorporate compliance as part of their legal department with only 6% including it within the finance division of the business.

The demand for first time European and global regional head of compliance roles continues. However, there are also many junior level roles (typically from two to five years' experience) being recruited, with companies either recruiting from within other areas of their business or increasingly looking externally for those with existing compliance experience from another firm or organisation.

Remuneration for those working within compliance will continue to rise in line with the increasing importance and elevation of the discipline coupled with the demand for talent. For more senior and strategic roles, candidates, whether from legal backgrounds or not, are being paid in line with, or in some cases more than, their legal counterparts.

## INVESTMENT BANKING LEGAL

2012 was a challenging year for the investment banking sector. Despite restructuring exercises, there were further redundancies within front office departments although these are yet to translate to legal departments.

Compensation remained a contentious issue within investment banks' legal departments as many institutions have gone through a re-basing exercise, adopting a more 70/30 approach to fixed versus variable compensation. For those institutions retaining a bonus led remuneration structure, in some instances lawyers were dissatisfied due to low bonus pools resulting in lower levels of total compensation. Some tier two or less well-known institutions sought to take advantage of this by offering higher fixed compensations to potential hires in an attempt to attract the best talent.

Bonuses remained flat with 59% of respondents within financial services in London receiving a bonus and 39% (the largest proportion) indicating the level of bonus remained unchanged year on year. Many banks adopted the attitude that flat bonuses should be viewed as an uplift, as bonuses are no longer awarded for mediocre performances. Generally speaking, excellent candidates can still command competitive fixed and total compensation within key areas.

### Investment Banking | Derivatives/Structured Products

PQE	Median Salary Range
0-1	£68,000 - 78,000
2-3	£77,000 - 90,000
4-5	£88,000 - 98,000
6-7	£95,000 - 110,000
8-9	£110,000 - 135,000
10+	£125,000 - 140,000
Team Head/Director	£135,000 - 200,000

### Investment Banking | Prime Services

PQE	Median Salary Range
0-1	£68,000 - 78,000
2-3	£77,000 - 90,000
4-5	£88,000 - 110,000
6-7	£110,000 - 140,000
8-9	£120,000 - 150,000
10+	£140,000 - 160,000
Team Head/Director	£135,000 - 200,000

## Investment Banking | Capital Markets (ECM/DCM/Securitisation)

PQE	Median Salary Range
0-1	£65,000 - 75,000
2-3	£74,000 - 85,000
4-5	£84,000 - 95,000
6-7	£94,000 - 105,000
8-9	£104,000 - 125,000
10+	£124,000 - 135,000
Team Head/Director	£134,000 - 175,000



### UK FINANCIAL SERVICES KEY FINDINGS

**26%**

of those considering a new role in 2013 will be looking for an increase in salary of between 11% and 15%.

**63%**

of lawyers within financial services in London received a bonus in 2012.

**62%**

were satisfied with their bonus.

Regulations continue to dominate agendas; with EMIR on the horizon. Strategically many investment banks linked the work with established departments like fixed income or prime services where there was a natural fit, whilst others have added headcount and hired lawyers specifically to cover OTC clearing and regulation.

The derivatives and structured products market remained flat in 2012, with mostly replacement hires being made across the board and very few departments making additional hires. Pockets of hiring occurred across FX and rates, whilst limited hiring took place in structured derivatives and structured products as appetite within these markets appeared to be stunted.

Capital markets is another area which saw little movement as calls for increased capital raising and low appetite for risk controlled the market, however some hiring within DCM/ECM and securitisation occurred. The same can be said within corporate and finance departments with limited hiring within these areas taking place.

Prime services remained fairly buoyant with many investment banks looking to bolster their departments as well as make replacement hires. This remains an area of high demand and skill shortages have in turn pushed up salaries. Hiring in cash equities, futures and OTC clearing have occurred within this area. There appeared to be more consolidation within these areas with businesses being pushed into leading institutions.

The ISDA/derivatives negotiation space remained warm throughout 2012. Hiring in prime services was fairly buoyant as well as investment banks bolster their OTC clearing documentation units and teams. There was a gradual trend for departments to hire more qualified candidates into these areas.

Within investment banking legal, similar levels of hiring to those of 2012 are expected in 2013, with increased activity within OTC clearing and regulation as firms behind the curve look to hire to assist with this area. Other key areas such as prime services and derivatives are likely to experience moderate levels of recruitment although some pick up in capital markets, corporate and finance departments is anticipated. Of course a rebound in the market could paint a very different picture but this is unlikely.

## Investment Banking | Asset management/Funds

PQE	Median Salary Range
0-1	£54,000 - 61,000
2-3	£60,000 - 74,000
4-5	£74,000 - 83,000
6-7	£82,000 - 94,000
8-9	£92,000 - 112,000
10+	£115,000 - 125,000
Team Head / Director	£125,000 - 175,000

## Investment Banking | General Banking (Corporate/Loans/Infrastructure/Finance)

PQE	Median Salary Range
0-1	£51,000 - 60,000
2-3	£61,000 - 84,000
4-5	£79,000 - 98,000
6-7	£97,000 - 121,000
8-9	£119,000 - 125,000
10+	£124,000 - 135,000
Team Head / Director	£134,000 - 175,000

**18%**

the highest proportion of those who were allocated a bonus, received between 30% and 39%.

**42%**

indicated their bonus in 2012 increased compared to 2011 levels

**8%**

of those working in financial services will be looking to move out of law in 2013.

**28%**

will actively be looking for a new job in 2013 and 36% indicated they would be open to being approached for an appropriate opportunity.

**41%**

of those in financial services in the UK feel pessimistic about the future of the economy.

**Bonuses remained flat with 59%** of respondents within financial services in London receiving a bonus and 39% (the largest proportion) indicating the level of bonus remained unchanged year on year.

## Investment Banking | ISDA Negotiations/Lawyers

PQE	Median Salary Range
0-1	£48,000 - 54,000
2-3	£54,000 - 64,000
4-5	£64,000 - 84,000
6-7	£80,000 - 92,000
8-9	£90,000 - 110,000
10+	£95,000 - 130,000
Team Head / Director	£110,000 - 150,000

## Investment Banking | Regulatory/OTC Clearing

PQE	Median Salary Range
0-1	£51,000 - 65,000
2-3	£64,000 - 84,000
4-5	£74,000 - 95,000
6-7	£97,000 - 121,000
8-9	£119,000 - 125,000
10+	£124,000 - 135,000
Team Head / Director	£134,000 - 175,000

## Investment Banking | Head of legal/General Counsel

PQE	Median Salary Range
Head of Legal/MD	£200,000 - 350,000
General Counsel	£250,000 - 450,000

 26% of those working within financial services and considering a new role in 2013 will be expecting an increase in salary of between 11% and 15%.



## ASSET MANAGEMENT LEGAL

Hiring within asset management was steady in 2012 with the biggest concern throughout the year being the incoming regulatory change within the sector, particularly surrounding AIFMD. As a result, legal departments within some asset managers recruited specialist lawyers to assist with the influx of regulatory change.

With a number of leading law firms bolstering their investment funds teams by upskilling associates, a wider talent pool has been created for asset managers to source potential candidates as opposed to competing with in-house institutions.

Salaries remained static during the course of 2012 although investment managers appreciated the need to offer competitive salaries to attract the best talent in the sector. Bonuses did not return to the levels reached pre 2008; however a typical split of 70/30 to fixed versus variable compensation became the norm.

As the industry recognised the slump in traditional investment management products, those that experienced growth in 2012 phased in more simplistic products, providing added clarity to retail and institutional investors. Price is another major contributing factor, as those who are

seeking to remain competitive have continued to cut fees especially with popular products such as ETF's.

Lawyers with experience in regulated funds will remain in demand within this sector. Conversely there remains a real lack of positions available for those with experience in private/unregulated funds as teams slimmed down operations within this area. With some organisations now consolidating EMEA practice directly from London, lawyers with good language skills will become quite instrumental when hiring.

### Asset Management Legal

PQE	Median Salary Range
0-1	£55,000 - 62,000
2-3	£63,000 - 76,000
4-5	£72,000 - 102,000
6-7	£95,000 - 125,000
8-9	£119,000 - 135,000
10+	£122,000 - 141,000
Team Head/General Counsel	£145,000+

## HEDGE FUND / PRIVATE EQUITY LEGAL

The private equity market continued to shrink during 2012 as funding dried up, which had significant knock-on effects for lawyers specialising within this market. Firms continued to rely on secondees from private practice where assistance was required, rather than hiring a full time lawyer.

For those within private equity who have managed to weather the storm, salaries stayed consistent. High salaries and bonuses for now are the norm, however the lack of roles coupled with many firms moving to wind down their funds means these salaries are unlikely to stay consistent.

Private equity has been met with a 'back to basics' approach with real estate seeing growth in 2012,

with some of the larger houses hiring within the legal space and a resurgence seeming to occur in this area.

Regulatory policies such as AIFMD made the demand for lawyers within hedge funds essential, with organisations looking to hire in-house experts to anticipate matters and deal with them accordingly.

Similarly to asset managers, hedge funds have experienced growth by providing more clarity to investors, as well as numerous smaller hedge funds with well regarded investment processes being acquired by larger funds with a strong managed accounts infrastructure. By moving away from traditional fund-to-fund models to Managed Account Platforms, investments have

become increasingly attractive as transparency for investors has improved.

When hiring, organisations sought excellent lawyers with experience in setting up funds in offshore jurisdictions such as Dublin, Luxembourg and the Cayman Islands, as these regions remain very attractive for alternative investment funds. Lawyers with experience in these areas will remain in demand throughout 2013.

Salaries within hedge funds remain constant and generally lawyers command similar salaries to those in private equity, although salaries in hedge funds are typically higher than those for investment managers who focus on regulated funds.

### Hedge Fund/Private Equity Legal

PQE	Median Salary Range
0-1	£60,000 - 66,000
2-3	£68,000 - 82,000
4-5	£85,000 - 112,000
6-7	£110,000 - 135,000
8-9	£132,000 - 150,000
10+	£150,000 - 165,000
Team Head / General Counsel	£165,000+

**76%**

would consider relocating abroad for the right role.

**47%**

experienced headcount growth in their team in 2012, although for just under a third (32%) this only equated to 1 additional hire.

**35%**

expect headcount growth of between 1 and 5 lawyers in 2013, with 48% indicating they are anticipating no new hires.

## COMMODITIES

The in-house commodities market experienced some change over the course of 2012 with some of the smaller trading houses moving operations overseas, in particular to Singapore. Headcount within legal teams in London remained constant with little growth within the trading houses.

Investment banks that previously had been quite dominant within this sector subsequently scaled back operations, with some closing their commodities desks completely. This led to an increased demand for lawyers with experience in trading physical commodities rather than those with only paper commodities experience.

The niche trading houses continue to provide the highest salaries in comparison to the investment banks and large corporates.

## RETAIL BANKING

2012 saw an increase in recruitment activity as confidence returned to the retail banking sector. Candidates with consumer credit and payment services experience remain particularly in demand, a reflection of how the regulatory environment continues to impact the sector. The candidate driven nature of the retail banking market has seen a flexible approach to hiring with companies targeting lawyers with secondment experience from private practice as well as recruiting directly from competitors. The outlook for 2013 is positive with the majority of retail banks anticipating headcount growth. It is expected that employers will seek to retain their best staff through paying bonuses and attracting new talent by offering competitive and increased salaries.

### Commodities

PQE	Median Salary Range
0-1	£68,000 - 78,000
2-3	£77,000 - 90,000
4-5	£88,000 - 98,000
6-7	£95,000 - 110,000
8-9	£110,000 - 135,000
10+	£125,000 - 140,000
Team Head	£135,000 - 200,000+

### Retail Banking

PQE	Median Salary Range
0-1	£50,000 - 55,000
2-3	£56,000 - 67,000
4-5	£68,000 - 85,000
6-7	£86,000 - 92,000
8-9	£93,000 - 100,000
10+	£101,000+
Team Head	£120,000+

64% of those working within financial services will be considering a move in 2013.

## Insurance

PQE	Median Salary Range
0-1	£48,000 - 55,000
2-3	£55,000 - 67,000
4-5	£68,000 - 80,000
6-7	£81,000 - 90,000
8-9	£91,000 - 100,000
10+	£101,000+
Team Head	£110,000+

## Payments

PQE	Median Salary Range
0-1	£48,000 - 54,000
2-3	£55,000 - 67,000
4-5	£68,000 - 80,000
6-7	£81,000 - 88,000
8-9	£89,000 - 94,000
10+	£95,000+
Team Head	£110,000+

## INSURANCE

The insurance sector remained stable throughout 2012 with hiring trends and salaries broadly in line with the previous year. The three to six year post qualified level continues to see the most activity as disillusioned private practice lawyers make the transition over to in-house employment. Over the course of 2012 there were greater levels of recruitment on the non-contentious side as insurance companies continued to recruit lawyers with corporate, regulatory and general commercial experience. The senior end of the market remains more competitive with a greater number of candidates competing for fewer vacancies. The outlook for the insurance industry is optimistic with companies anticipating headcount growth within the first six months of 2013.

## PAYMENTS

2012 was an exciting year for the payments industry, characterised by new companies entering the market and increasing levels of investment, as companies sought to gain a competitive advantage through the use of new technologies. Salaries in the sector remain fragmented with the larger and more established payment organisations finding themselves in a position to pay a higher fixed compensation in order to attract new recruits. Key skill sets in demand include merchant acquiring, payment services and money transmission.

In the future it is expected that companies will continue to grow their legal teams as they strive to outperform their competition in what is a dynamic and fast moving industry.

## COMPLIANCE

### Investment Banking

2012 was an active year within compliance. The FSA issued record breaking fines under the new leadership of Tracey McDermott, which led to a feeling of nervousness for many investment banks over the strength of their controls around client money and financial crime. This resulted in the fleshing out of compliance teams, particularly within the advisory, financial crime and client money areas. However, whilst there was a need for increased headcount, this didn't necessarily translate into the UK market as many investment banks preferred to move staff internally into these roles from other teams across the UK, Europe and the US, rather than recruiting externally.

Key areas of growth have aligned with those that have been fined by the FSA such as anti-money laundering and client money teams, with many investment banks looking to strengthen these areas on both an interim and permanent basis at the AVP and VP level. Candidates within certain areas have been able to command higher base salaries

due to the market being relatively candidate short, an example of this being client money and fixed income advisory. Hiring within the the control room has remained active with many candidates using it as a platform to move into advisory or monitoring roles, meaning turnover of staff in this area has been rather high. An increase in control room related projects has led to the need for interim consultants.

Within advisory, there has been a continued demand for candidates with fixed income advisory experience at a VP level.

Bonuses in 2012 were fairly modest with few bonus 'buy-outs' by the investment banks hiring in the later part of 2012.

### Asset Management

With the changing regulatory landscape and an increased focus on conflicts management, compliance within the asset management space remained challenging in 2012. Compliance functions were forced to examine their headcount and ensure

they had adequate teams to meet the FSA regulations whilst trying to keep costs to a minimum. Compliance hires occurred in peaks and troughs during 2012 with most recruitment being limited to replacement hires or small pockets of growth within teams. Again bonuses were modest as the future of the market remained uncertain. Across the asset management space, base salaries remained slightly lower than investment banks with bonuses being a higher percentage of base salary.

2013 will be a busy year across compliance with senior management continuing to sign off roles within the investment banking space, despite there being a hiring freeze across other areas of the business. There are many projects being undertaken to improve systems and controls to ensure processes meet the FSA's standards. Many investment banks have plans to make changes within their compliance teams, with some areas being moved back into compliance whilst others are moved into operations. However, what is clear across financial services is that the world of compliance will continue to be interesting and busy in 2013.

## Compliance

	Monitoring	Markets Advisory	Regulatory
Associate	£35,000 - 50,000	£40,000 - 60,000	£40,000 - 55,000
AVP	£50,000 - 70,000	£50,000 - 75,000	£50,000 - 70,000
VP	£70,000 - 100,000	£85,000 - 120,000	£75,000 - 90,000
Director	£110,000 - 140,000	£115,000 - 150,000	£100,000 - 150,000

	KYC	AML
Associate	£30,000 - 45,000	£35,000 - 50,000
AVP	£45,000 - 70,000	£45,000 - 70,000
VP	£70,000 - 90,000	£65,000 - 100,000
Director	£90,000 - 120,000	£100,000 - 140,000

**56%**

of financial services organisations have a standalone compliance function.

**31%**

include the compliance function as part of the legal department.

**39%**

prefer to source their compliance staff from a legal background.

Key areas of growth have aligned with those that have been fined by the FSA such as anti-money laundering and client money teams, with many investment banks looking to strengthen these areas on both an interim and permanent basis at the AVP and VP level.

## OVERVIEW

2012 was perhaps a tougher year than most firms anticipated, given the promising recovery in the latter stages of 2011. Law firms have continued to move towards more efficient business models, which have been reflected in further redundancies, restructurings and a reduction in trainee intakes. 57% of those working in private practice in the UK specified that the headcount in their team had either decreased or remained unchanged in 2012; however it is promising to note that 55% foresee headcount growth in the coming year.

There is also evidence that firms are expanding the use of new remuneration systems, moving away from the traditional PQE-based systems towards those that involve assessment based on a combination of merit and experience. However, as these systems remain less common than the PQE model and most are relatively new, the effects of their implementation are as yet unclear.

Broadly speaking, our findings this year demonstrate modest rises in pay across the board, although trainee and NQ pay remains static in many cases. There is general discontent with pay rates amongst associates at all levels bar the select few that have received a pay rise and recognise the rarity of this. Firms do however seem more willing to improve on

remuneration and bonuses in order to attract lateral hires in key areas and this is perhaps because 30% of those responsible for recruitment in law firms indicated that sourcing talent with the right skills/experience has been their greatest challenge in 2012.

Bonus levels have also been reduced in some firms and our findings show that only 47% of those working in law firms in the UK received a bonus in 2012, of which 58% received less than 10% of their basic salary. Half of those who received a bonus stated it had increased year on year and that they were satisfied with the level of their bonus.

For the 27% of respondents that indicated they will be looking for a new role in 2013, 83% will be expecting a rise in pay of anything between 1% and 20%. Almost a third of lawyers within private practice in London will be looking to move in-house in the new year which could affect the size of the talent pool available to law firms.

2012 will be remembered as the year of law firm mergers, either actual or prospective. It will be interesting to see how salaries are affected in 2013 as these new legal giants bed in, as well as how talent acquisition and retention is managed as a result.



Almost a third of lawyers within private practice in London will be looking to move in-house in the new year which could affect the size of the talent pool available to law firms.



## UK PARTNERS

In 2012 firms across the market compensated partners in an assortment of ways at a variety of levels. Of course, equity partners' remuneration is directly linked to profitability, meaning partners in firms with strong international practices and involvement in key sectors including energy, technology and life sciences are benefiting from the rise in work levels and profits across those areas. Conversely equity partners in underperforming firms, including those in some mid-tier City firms, will have felt a pinch on their income levels.

In 2012 changes were made to equity structures with a number of firms moving away from a traditional lockstep model towards modified systems, where partners are rewarded based purely on merit or on a mixture of merit and length of service. Our research shows that the number of partners moving on the equity ladder remained broadly unchanged year on year, with firms

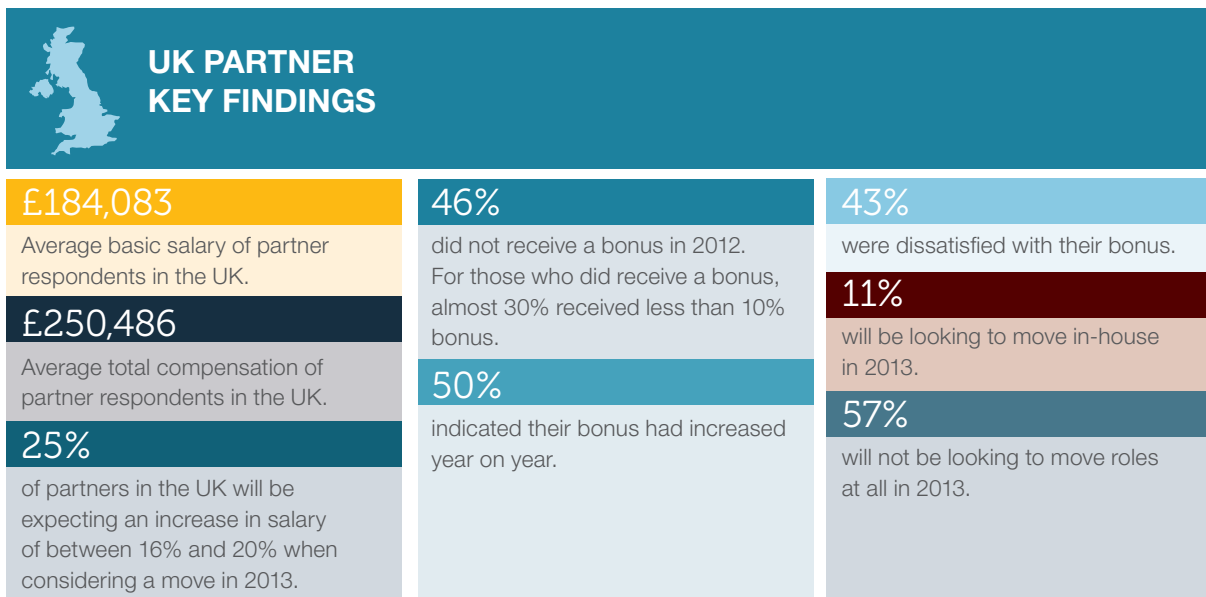
### UK Partners

	Salary/Fixed Share Partner, Median Salary Range
West End/Niche firms	£85,000 - 160,000
Mid-market firms	£110,000 - 225,000
Magic/Silver Circle firms	£150,000 - 275,000
US firms	£180,000 - 300,000

continuing to free up equity to incentivise more junior partners.

For some equity partners, a small number of firms are continuing to withhold profit distributions where appropriate in order to avoid borrowing/utilising overdraft facilities. Cash-calls and increases in the capital contributions for equity partners have also been reasonably common.

Salaried partner and fixed share partner remuneration levels increased modestly in 2012; although the requirement for capital contributions from fixed share partners has also been on the rise and in some cases has been as high as 25% of the fixed share.



## UK ASSOCIATES

### Associates | Magic & Silver Circle firms

PQE	Median Salary Range
NQ	£60,000 - 65,000
1	£64,000 - 72,500
2	£70,500 - 80,000
3	£76,000 - 90,000
4	£85,000 - 100,000
5	£87,500 - 106,500
6+	£95,000 - 125,000

26% of female associates feel that their gender is a barrier to reaching partner level whilst 46% of males do not.

### Magic & Silver Circle firms

Magic and Silver Circle associates' remunerations experienced a slight uplift in 2012; with a number of firms removing salary freezes and improving on 2011's reportedly flat trading conditions. Bonus levels varied and were very much dependent on the firm. In some instances top rated associates received up to a 30% bonus, however on the other end of the spectrum some Magic Circle firms cut all bonuses for trainees, associates and support staff, citing uncertainty throughout the global economy as the reason.

A number of marked changes to remuneration systems were made, which included firms implementing merit-based pay systems and in other cases abandoning the biannual pay review system to move in line with general market practice.

Merit-based pay systems have increased in popularity over the past few years with firms moving away from the traditional lockstep. The implementation of this system is seen by many firms as an effective solution to paying associates what they are worth. This is a somewhat

double-edged sword for associates, with exceptionally technical and commercially minded associates possibly earning above their PQE salary banding and those not viewed in this light in danger of earning comparatively less than they were before the merit-based system was put in place. Similarly there is more transparency with billable hours and an increased emphasis being put on adding value, both to the client and to the firm.

## Associates | City firms

PQE	Median Salary Range
NQ	£54,000 - 60,000
1	£59,500 - 66,000
2	£63,000 - 71,500
3	£65,000 - 78,000
4	£71,500 - 85,500
5	£76,500 - 98,000
6+	£77,500 - 105,000

## Associates | West End/Boutique

PQE	Median Salary Range
NQ	£40,000 - 56,500
1	£43,500 - 65,000
2	£44,500 - 68,500
3	£50,000 - 72,000
4	£57,500 - 79,000
5	£60,500 - 85,000
6+	£64,000 - 89,000

## City & West End firms

For a number of City and West End firms in the UK, 2012 revolved around mergers. This was largely due to contracting markets causing an increase in “panelisation”, forcing smaller firms that previously benefited from the extra off-panel work, to dedicate a disproportionate amount of time endeavoring to stay on panels. Strategically expanding and pooling resources offered a feasible and effective solution to protecting market share in an ever competitive and aggressive market.

Firms are particularly interested in the elusive mid-level associate; lawyers that are able to effectively hit the ground running and possess no partnership expectations in the foreseeable future. For this reason there does seem to be a discretionary element when law firms consider remuneration, with some firms opting to pay more to attract the best talent.

West End and boutique firms’ salaries remained fairly similar to levels seen in 2011. As in previous years, these firms attract associates from the market’s top firms with the allure of greater responsibility, better work - life balance and improved prospects for partnership.

In a market inundated with candidates, firms are able to practice caution when recruiting and hold out for the right person; however there is room for salary negotiation in instances where firms are trying to secure an especially attractive candidate.

## NY rates

Whilst 2012 generally consisted of consolidation in remuneration rather than increases, NY pay rates at the US “White shoe” private practices continued to dominate that of the top UK payers. With an increasing number of US firms paying their NQs a salary of £100,000, this positively dwarfs the top rate salary for an NQ at a Magic Circle firm of £65,000.

Although the market and press alike tend to question such high salaries for junior lawyers, NY firms seem less concerned and despite a slow economic recovery have continued to perform relatively well, with many experiencing continued growth in London in 2012. Due to the talent that these high salaries attract, NY firms are steadily gaining ground on the Magic Circle firms.

## Associates | NY rates

PQE	Median Salary Range
NQ	£90,000 - 100,000
1	£95,000 - 105,000
2	£100,000 - 115,000
3	£110,000 - 127,500
4	£120,000 - 140,000
5	£130,000 - 147,500
6+	£145,000+

## Associates | Mid-Atlantic firms

PQE	Median Salary Range
NQ	£63,000 - 72,000
1	£68,000 - 82,000
2	£74,000 - 90,000
3	£85,000 - 98,000
4	£92,000 - 110,000
5	£110,000 - 125,000
6+	£120,000+

## Mid-Atlantic firms

In 2012, even more Mid-Atlantic firms moved onto a merit-based pay structure, allowing the most ambitious and talented associates to earn substantially more than they would otherwise be able to under the old PQE-band approach. This system undoubtedly helps Mid-Atlantic firms to more successfully compete with White shoe firms in attracting talent.

A number of Mid-Atlantic firms either merged with UK firms in 2012, or expressed an interest to do so. It will be interesting to see how these mergers will affect the associates' remuneration and whether the combined firms will adopt UK or US pay structures in 2013.

## VALUE OF LEGAL PRO BONO £456M PER YEAR IN THE UK

- Pro bono is equivalent to 1.85% of top 20 law firms total revenue
- “Pro bono LLP” would be the second largest legal firm in the UK by number of solicitors

The estimated value of pro bono work among the top 20 UK legal firms was £180.9m in 2011, according to research conducted by Laurence Simons. This is equivalent to 1.85% of total revenue among the largest 20 firms. The research coincides with Pro Bono Week 2012 which runs from November 5th to November 11th 2012.

Projecting this average across all 87,000 UK private practice solicitors, the total value of pro bono work in private practice would be around £456m per year. This is equivalent to the average salaries of 3,679 lawyers, which would make “Pro Bono LLP” the second biggest legal firm in the UK by number of solicitors.

Few profit making organisations can boast that the amount of charitable work they do is equivalent to 2% of their total revenue, but pro bono is a fine tradition among law firms of providing free expert advice for the public good. With cuts to legal aid affecting access to justice for those who can't always afford it, it has never been more important. Sometimes lawyers and city professionals get criticised for their pay packets and bonuses, but pro bono work represents a sizeable chunk of what they do, proving it's not all about the bottom line.

The average annual value of pro bono work for each private practice lawyer in the UK is £5,194. However, according to separate research 52% of lawyers did no pro bono work in 2012, meaning that the value per lawyer for the 48% that do give their time is closer to double that.

The average hours per lawyer that pro bono represents among the top 20 firms is 29.6 hours which, if extrapolated across all firms, would equate to around 1,075,528 hours.

Legal firms undertake a large amount of work for charitable causes in their local community. For London firms, in 2012 coincided with the Olympics and Paralympics, allowing them to engage with community organisations in and around Stratford to help secure the legacy of the games. At the other end of the scale, some firms work on a more international scale, including one firm which negotiated the TV rights for the Paralympics in Haiti, helping to change attitudes to disability there.



### UK ASSOCIATE KEY FINDINGS

**£72,866**

Average basic salary of an associate in London.

**£76,965**

Average total compensation of an associate in London.

**1/3**

of associates would expect an increase in salary of between 5% and 10% if considering a new role in 2013.

**43%**

of associates in the UK found their role in less than a month.

**55%**

received a bonus in 2012, 56% received less than 10% of their basic salary.

**47%**

saw an increase in bonus year on year and 64% indicated they were satisfied with the level of their bonus.

**29%**

will be looking to move in-house in 2013.

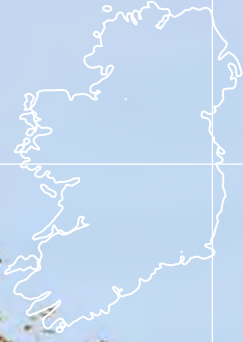
**22%**

will actively be looking for a new job in 2013 with 44% open to moving jobs if the right role presented itself.

**72%**

would consider relocating abroad for a suitable position.





Dublin  
53° 20' 52" N  
6° 15' 35" W



# Ireland



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## IN-HOUSE

2012 saw an increasing number of in-house opportunities arising particularly in financial services and the technology and energy sectors. We witnessed opportunities at the mid and senior level which varied from 2011 where there seemed to be a higher level of senior level roles. There has also been a significant increase in the number of contract roles where the organisations requirements are for a specific project or maternity contract. Increasingly organisations are looking to hire candidates who have previous in-house experience and are not as open to candidates coming direct from private practice. From the candidate side, as a result of the current economic climate where career progression is not meeting expectations, there remains a strong demand from private practice lawyers to make the transition in-house particularly at the senior associate level.

Due to the preference and demand from lawyers to move to in-house salaries have remained relatively stagnant with bonuses being paid out. Benefits include pension, health cover, share-option scheme and car allowances. We expect to see the number of in-house roles continue to increase throughout 2013.

## In-house | Ireland

PQE	Median Salary Range
0-1	€45,000 - 50,000
2-3	€55,000 - 70,000
4-5	€70,000 - 80,000
6-7	€80,000 - 90,000
8-9	€90,000+
10-11	€100,000+
Head of Legal	€120,000 - 150,000
General Counsel	€170,000



## IRELAND KEY FINDINGS

1/3

of lawyers in Ireland will be looking for an increase in salary of between 11% and 15% if considering a new role in 2013.

46%

of in-house legal departments experienced headcount growth in 2012, for 26% this growth equated to 1 additional hire.

48%

received a bonus of between 10% and 19% of their basic salary.

39%

of organisations have a standalone compliance function and 47% include compliance as part of the legal division.

23%

of in-house lawyers in Ireland have been in their current role for between 5 and 10 years.

60%

of companies in Ireland prefer to source their compliance staff from a legal background although currently only 39% do.

24%

of those now working in-house moved from private practice in 2012.



## PRIVATE PRACTICE

Overall recruitment in private practice remained relatively consistent throughout 2012. Demand continued in the areas of funds, banking, asset finance, insolvency, litigation and IP with a greater desire for lawyers at the mid-level. Recruitment requirements remained mostly within the larger firms. Equally we continued to see candidates at the two to four PQE level moving to London and Offshore, following the demand for talent among Magic Circle, Silver Circle US and Offshore firms. There remains a strong desire from the mid-level associates to move out of Ireland due to the current economic situation and seize the opportunity to gain international experience and exposure to larger transactions. We also saw a demand for partners in banking, funds, insurance and asset finance.

Salaries did not change dramatically throughout 2012. It is still the case that in areas such as banking, aviation finance and funds, firms continue to pay outside the standard salary bands as a measure to retain and secure talent in a consistently competitive market. Bonuses are being paid but largely on merit, rewarding those when particular targets have been met.

### Private Practice | Ireland Banking / Funds / Aviation / Finance

PQE	Median Salary Range
NQ	€50,000 - 60,000
1	€60,000 - 70,000
2	€65,000 - 80,000
3	€75,000 - 90,000
4	€80,000 - 95,000
5	€85,000 - 100,000
6+	€90,000 - 115,000
Salaried Partner	€120,000+

### Private Practice | Ireland All other sectors

PQE	Median Salary Range
NQ	€40,000 - 50,000
1	€50,000 - 60,000
2	€55,000 - 65,000
3	€70,000 - 80,000
4	€75,000 - 85,000
5	€80,000 - 90,000
6+	€85,000+
Salaried Partner	€120,000+

**23%**

of respondents working within law firms in Ireland will be expecting an increase in salary of between 21% and 25% when considering a new role in 2013.

**32%**

received a bonus. 44% received a bonus of less than 10% of their basic salary and an equal proportion experienced an increase in bonus year on year.

**32%**

of private practice lawyers in Ireland have been in their current role for between 3 and 5 years.

**53%**


would consider relocating internationally for the right role.



Paris  
48° 51' 44" N  
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# France

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## In-house | France

PQE	Median Salary Range
0-1	n/a
2-3	€45,000 - 58,000
4-5	€58,000 - 71,000
6-7	€70,000 - 83,000
8-9	€81,000 - 91,000
10-11	€88,000 - 104,000
12-13	€94,000 - 113,000
14-15	€112,000 - 135,000
16-20	€124,000 - 146,000
21+	€140,000+

## IN-HOUSE

It appears that the legal recruitment market in France has bounced back since the downturn in 2009, although perhaps not to the same level of activity. There has been a mixture of both replacement hires and new role creation with 40% indicating they had experienced headcount growth in 2012 and 38% stating their teams remained the same size as 2011.

Lawyers at the mid to senior level have been most sought after by organisations and where candidates from other European jurisdictions have been considered, French language skills remain a prerequisite. Candidates with seven to ten

years PQE with general / corporate expertise will remain in high demand in 2013 - however sourcing talent at this level may prove challenging as candidates are in short supply. On the more senior end of the market (10 plus years PQE) there appears to be a sharp increase of lawyers seeking new opportunities.

The IT / technology sector has been particularly active in 2012 and this is anticipated to continue into 2013 with the life sciences sector also looking set to perform well.

Remuneration in France remained fairly static during the course of

## FRANCE KEY FINDINGS

**30%**

of in-house lawyers working in France will be looking for an increase in salary of between 16% and 20% when considering a new job.

**71%**

received a bonus in 2012, of which 42% received between 10% and 19% of their basic salary.

**28%**

stated their reason for leaving their last in-house role was to take a higher paying job.

**27%**

of in-house lawyers will be actively looking for a new job in 2013, with 53% stating they are open to hearing about appropriate roles.

**89%**

of those in-house would consider relocating internationally.

**41%**

of in-house legal departments in France experienced headcount growth in 2012, for 36% this equated to 1 additional hire.

2012, although for 30% of lawyers considering a new role in 2013, an increase of between 16% and 20% is what they would deem acceptable. Two thirds of all legal professionals in France received a bonus in 2012, with 49% receiving the same level year on year and 64% indicating they were satisfied with this level. For the most part, bonuses vary from company to company and are very much discretionary. Salary levels in 2013 should remain fairly constant with the odd increase dependant on the sector and the level of the candidate.

# France

47%

of companies in France include compliance as part of the legal department and 39% have it as a standalone function.

54%

of compliance professionals in France come from a legal background, with 70% of organisations indicating they prefer this.

26%

of those working for law firms in France will be expecting an increase in salary of between 11% and 15% when considering a new role.

57%

received a bonus of which a third received less than 5%.

1/4

of law firms experienced headcount growth in 2012.

## Private Practice | France

PQE	Median Compensation Range
NQ	€60,000 - 65,000
1	€72,000 - 77,000
2	€78,000 - 83,000
3	€83,000 - 88,000
4	€88,000 - 93,000
5	€93,000 - 98,000
6	€100,000 - 110,000
7	€110,000 - 120,000
8-9	€120,000 - 130,000
10-20	€140,000 - 200,000
21+	€200,000 - 300,000+

## PRIVATE PRACTICE

Demand in 2012 remained consistent across all sectors in Paris, from corporate and finance through to dispute resolution, IP/IT, tax and employment; although recruitment levels are yet to return to those achieved in the past. International firms proceeded with caution when recruiting in 2012 with a tendency towards consolidating teams. An increase in movement at the partner level has emerged due to new entrants from the Anglo-Saxon world and boutique firms being set up by lawyers leaving international law firms.

Growth within emerging markets has also led to an increased demand for candidates from project finance, energy and infrastructure backgrounds. A particularly exciting emerging market is Africa and recruitment for this region is often handled by firms based in Paris.

The compensation data is a representation of remuneration paid by law firms in Paris, predominantly made up of data from the 50 largest firms. Lawyers at smaller firms in Paris and law firms throughout the rest of France are likely to notice some discrepancies in compensation,

which can typically be between 10% and 20% lower. Compensation in Paris tends to be tiered, with US firms paying the highest compensation, UK firms following and national firms paying the least. However, there are exceptions and in some cases lawyers at French firms can receive US practice salary levels. For many firms bonus levels have remained stagnant since 2008 and in some cases have not been paid at all.

You can find out more on this subject in the Laurence Simons Paris Private Practice Salary Survey. Request your copy at [paris@laurencesimons.com](mailto:paris@laurencesimons.com).





Milan  
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# Italy



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## IN-HOUSE

Italy experienced moderate levels of legal recruitment in 2012, with 42% of Italian based organisations experiencing headcount growth although for the largest proportion (44%) only 1 additional lawyer was hired.

As a result of private practice firms looking to reduce costs due to a drop in business or difficulty in getting their fees paid, it is no surprise that there has been an influx of senior lawyers looking to make a move in-house. This trend is likely to continue in 2013 with 11% of lawyers working in law firms indicating they would be looking to move in-house.

The life sciences sector has been more resilient than other industries and candidates with experience in this area have found themselves well placed when seeking a new job. Due to the turmoil in the banking and financial services space, predictably lawyers within this sector have been looking to make a move. Due to the government's recent spending review within the healthcare sector, organisations in this field have sought to hire in-house lawyers in order to reduce the amount spent on outside counsel. Multinationals across the board have focused on employing a strong legal counsel to head up their law departments in an effort to bridge cultural gaps and better understand local legislation.

Remuneration in Italy has remained for the most part unchanged with some senior level lawyers seeing a slight decrease in pay. Despite this trend, 66% of lawyers in Italy received a bonus in 2012 with just under a third (31%) receiving a bonus of between 10% and 19% of their basic salary. 45% indicated there was no movement in their bonus year on year. However, 43% did in fact see a rise in bonus and overall 72% were satisfied with their bonuses. Compensation levels in 2013 are expected to remain flat. With an abundance of candidates looking for new roles, organisations will be spoilt for choice and will therefore hold the negotiating power.

### In-house | Italy

PQE	Median Salary Range
0-1	€30,000 - 40,000
2-3	€40,000 - 50,000
4-5	€55,000 - 60,000
6-7	€65,000 - 70,000
8-9	€75,000 - 85,000
10-11	€90,000 - 100,000
12-13	€100,000 - 110,000
14-15	€110,000 - 120,000
16-20	€120,000 - 150,000
21+	€155,000 - 170,000

## PRIVATE PRACTICE

2012 was by no means an easy year for those within private practice, with few firms looking to increase fee-earner headcount in Milan or Rome, and many limiting the path to partnership. As a result of these limitations, there was an increase in lawyers looking to set up their own law firms (or boutique firms with likeminded individuals) resulting in the private practice arena becoming increasingly fragmented. On the associates side, there was a general level of caution when considering a move due to the unstable nature of the economy.

Accordingly, private practice salaries in Italy stayed fairly flat. In many cases, particularly within small to medium sized Italian firms, there have been reasonable decreases in salary levels for associates. For those considering a move in 2013, remuneration expectations will need to be managed as over a quarter (27%) will be expecting a pay rise of between 11% and 15%.

### Private Practice | Italy

PQE	Median Salary Range
1	€20,000 - 32,000
2	€36,000 - 55,000
3	€40,000 - 75,000
4-5	€52,000 - 95,000
6-8	€75,000 - 105,000
9+	€90,000+



## ITALY KEY FINDINGS

**37%**

have been in their current role for between 5 and 10 years; this is 10% higher than the global average.

**9%**

of lawyers in Italy took over 2 years to find their current job.

**28%**

indicated the reason for leaving their last job was to pursue a new challenge and more interesting work.

**13%**

of lawyers in Italy are uninterested in exploring new job opportunities.

**62%**

feel pessimistic about the future of the economy.

**93%**

would consider relocating internationally for an appropriate role.

**26%**

expect to hire between 1 and 5 additional lawyers in 2013.

**25%**

found budget restraints the most trying recruitment challenge in 2012.

**47%**

of legal departments in Italy include compliance within the legal division and 37% stated it is a standalone function.

**76%**

prefer their compliance staff to come from a legal background; however, only 59% actually do.





Madrid  
40° 24' 0" N  
3° 41' 0" W

# Spain



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## IN-HOUSE

As the Eurozone crisis played out in 2012, the Spanish economy was perhaps one of the hardest hit in Europe. Recruitment was extremely stagnant with only a third of organisations experiencing headcount growth in 2012. 29% underwent redundancies and 37% saw headcount remain at the same level as 2011. Where additional hires were made, this was for the most part limited to replacement hires and 44% indicated that their teams only grew by one further lawyer. This is not surprising as a quarter of hiring managers stated their biggest recruitment challenge in 2012 was budget constraints.

Unfortunately, 2013 is painting a similar picture with 52% of legal departments expecting no headcount growth at all, 6% expecting redundancies and only 37% anticipating between one and five additional hires.

On a more positive note, 77% of lawyers in Spain indicated that they received a bonus in 2012 with 43% of lawyers receiving between 10% and 19% of their basic salary. Salaries remained at 2011 levels in 2012 with many lawyers moving into 2013 at remuneration levels well below the industry standard. For the 21% of lawyers who will actively be looking for a new role in 2013, 31% indicated they would be looking for an increase in salary of between 16% and 20% although it is unlikely that this will be realised.

There are still rather challenging times ahead of Spain which is further substantiated in the opinions of lawyers in the region, with 73% feeling pessimistic about the future of the economy.

## In-house | Spain

PQE	Median Salary Range
0-1	€22,000 - 25,000
2-3	€33,000 - 47,000
4-5	€42,000 - 61,000
6-7	€54,000 - 64,000
8-9	€62,000 - 71,000
10+	€68,000+

### SPAIN KEY FINDINGS

**31%**

of lawyers in Spain will be looking for an uplift in salary of between 16% and 20%, when considering a new role in 2013.

**55%**

saw no rise in bonus year on year although 56% still indicated they were satisfied with the level of their bonus.

**12%**

indicated that it took them over 2 years to find their current job.

**35%**

left their last job to seek a new challenge or more interesting work.

**4%**

left their jobs in 2012 to relocate abroad, although 96% would consider relocating in 2013 for the right role.

## PRIVATE PRACTICE

With unemployment at a record high of 20% and real market concerns about whether the Spanish economy will require further bailout funds, it is unlikely that the situation will improve in 2013.

Salary levels remained largely static throughout 2012, following a general decline in 2011. Remuneration for lawyers in Spain is now amongst the lowest in Europe and, unfortunately for those in the market, it is likely to remain so for some time to come.

It is not surprising that 96% of lawyers in Spain would consider relocating for a suitable role although only 4% made the move in 2012, demonstrating how difficult it is to relocate and find work in other countries.

### Private Practice | Spain

PQE	Median Salary Range
1	€22,000 - 30,000
2	€35,000 - 57,500
3	€40,000 - 68,000
4-5	€45,000 - 80,000
6-9	€55,000 - 93,000
10+	€110,000+

**87%**

feel secure in their jobs although 73% feel pessimistic about the future of the economy.

**21%**

will actively be looking for a new role in 2013 although 44% specified they would be open to being approached for an appropriate job.

**58%**

incorporate compliance as part of their legal department.

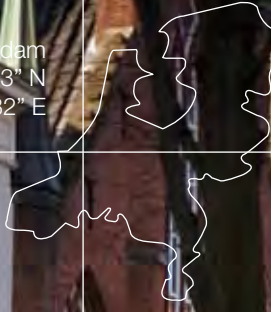
**24%**

of organisations have a standalone compliance function within their business.

**73%**

prefer to source their compliance staff from a legal background although only 51% currently do.

Amsterdam  
52° 18' 23" N  
4° 46' 32" E



# Benelux



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## IN-HOUSE

The Benelux regions experienced slightly higher levels of legal recruitment in 2012 in comparison to 2011 despite the uncertain nature of the economy. Healthy hiring levels were seen particularly in Luxembourg, where 22% of legal departments hired six additional lawyers in 2012. Almost a third of in-house teams in the Netherlands hired one additional lawyer and this is expected to rise in 2013 to around 37%, with legal departments looking to add between one and five lawyers to their teams. Despite 31% of legal departments in Belgium hiring on average two additional lawyers, 63% of organisations in the country do not expect to hire in 2013.

Salary levels stayed fairly constant year on year with a few uplifts being experienced at the mid to senior level. On average 69% of lawyers across the three countries received a bonus with the median bonus level sitting at between 11% and 19% of basic salary.

Despite the performance of all three economies, 90% of lawyers would still consider relocating internationally for an appropriate role and interestingly, 20% of those working in Luxembourg relocated in 2012. Organisations looking to hire in other countries but experiencing difficulty in sourcing the right talent could certainly consider the Benelux region to attract candidates.

### In-house | Belgium

PQE	Median Salary Range
0-1	€27,000 - 34,000
2-3	€35,000 - 44,000
4-5	€45,000 - 60,000
6-7	€60,000 - 73,000
8-9	€75,000 - 97,000
10-11	€91,000 - 111,000
12-13	€105,000 - 120,000
14-15	€108,000 - 143,000
16+	€150,000+

### In-house | Netherlands

PQE	Median Salary Range
0-1	€26,000 - 34,000
2-3	€45,000 - 59,000
4-5	€60,000 - 68,000
6-7	€74,000 - 88,000
8-9	€85,000 - 104,000
10-11	€98,000 - 110,000
12-13	€100,000 - 120,000
14-15	€135,000 - 156,000
16+	€143,000+




 On average 69% of lawyers across the three countries received a bonus, with the median bonus level falling between 11% and 19% of basic salary.

## In-house | Luxembourg

PQE	Median Salary Range
0-1	€25,000 - 36,000
2-3	€34,000 - 47,000
4-5	€47,000 - 71,000
6-7	€58,000 - 80,000
8-9	€71,000 - 102,000
10-11	€92,000 - 107,000
12-13	€105,000 - 119,000
14-15	€119,000 - 136,000
16+	€159,000+

## PRIVATE PRACTICE

The Benelux region, with only around 27 million inhabitants but a combined GDP of over US\$1trillion, has one of the highest standards of living in the world. All three areas fared relatively well in 2012 compared to the rest of the EU, with economic growth ranging from around 1% in Amsterdam to roughly 3% in Luxembourg.

Although the legal markets grew across the board in each country in 2012, competition law was the strongest area of growth in Brussels, funds in Luxembourg and corporate/finance in Amsterdam (which is now rated the fourth best city in which to do business in the EU behind London, Paris and Frankfurt).

Unsurprisingly, salaries remained fairly strong in the Benelux region although no significant increases were experienced. Salary levels in these regions still lag somewhat behind France and Germany although the general cost of living is lower. Various firms have adopted more attractive bonus schemes to attract and retain talent.

## Private Practice | Belgium

PQE	Median Salary Range
1	€42,000 - 65,000
2	€50,000 - 72,000
3	€55,000 - 75,000
4	€58,000 - 80,000
5-7	€67,500 - 100,000
8-9	€84,000 - 120,000
10+	€100,000+

## Private Practice | Netherlands

PQE	Median Salary Range
1	€40,000 - 65,000
2	€45,000 - 68,000
3	€50,000 - 72,000
4	€55,000 - 78,000
5-6	€65,000 - 85,000
7-8	€75,000 - 96,000
9+	€90,000+

## Private Practice | Luxembourg

PQE	Median Salary Range
1	€45,000 - 65,000
2	€60,000 - 78,000
3-4	€65,000 - 90,000
5-6	€72,000 - 110,000
7-9	€100,000 - 132,000
10+	€115,000+

## KEY FINDINGS



**BELGIUM**

**NETHERLANDS**

**LUXEMBOURG**

### BONUS

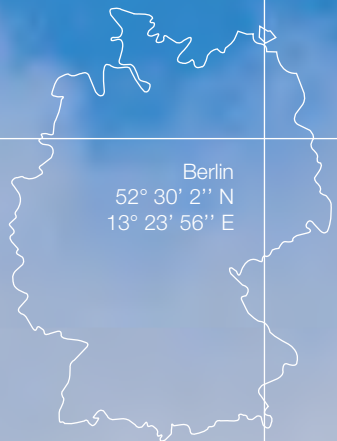
Percentage that received a bonus in 2012	68%	74%	64%
Difference in 2012 bonus compared to 2011 bonus	50% saw no change	46% saw no change	44% saw a decrease
Highest overall level of bonus	26% received between 10% and 19%	36% received between 10% and 19%	69% received between 10% and 19%
Percentage of those that were satisfied with their bonus	67%	77%	56%

### HEADCOUNT

Change to headcount in past year	33% experienced headcount growth	37% experienced headcount growth	39% experienced headcount growth
Increase in headcount experienced	31% made 2 additional hires	32% made 1 additional hire	22% made 6 additional hires
Anticipated headcount growth in 2013	63% do not anticipate any headcount growth	38% anticipate hiring between 1 and 5 additional lawyers	31% anticipate hiring between 1 and 5 additional lawyers

### CURRENT EMPLOYMENT

Reason for leaving last job	9% relocated	4% relocated	20% relocated
	24% new challenge	35% new challenge	32% new challenge
	13% left private practice to move in-house	25% higher salary elsewhere	32% higher salary elsewhere
Percentage that will actively be looking for a new job in 2013	25%	31%	24%
Percentage that would consider relocating	87%	90%	92%



Berlin  
52° 30' 2'' N  
13° 23' 56'' E

# Germany

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## IN-HOUSE

In-house legal departments in Germany experienced growth in 2012 albeit cautious growth. 45% of companies indicated that they made additional hires, with 22% employing on average two new lawyers.

Industries that were particularly buoyant and hired German lawyers in 2012 were high-tech, manufacturing, engineering and healthcare. For non-German lawyers, areas such as banking and finance, M&A, private equity and venture capital were all attractive options as these organisations sought to hire candidates with English language skills.

Remuneration levels in 2012 were relatively unchanging although moving into 2013, candidates will be seeking higher levels of pay. Of the German based lawyers looking for a new role in 2013, 29% will be expecting an increase in salary of between 16% and 20%. Bonuses were strong in 2012 with two thirds of lawyers in Germany indicating they received a bonus and just over a third specifying the level was between 11% and 19% of their basic salary.

Legal recruitment levels should strengthen in 2013 with a third of organisations expecting to hire between one and five lawyers, although this is very dependent on the Eurozone crisis and how it unfolds. Despite the resilient nature of the German economy in 2012, 31% feel pessimistic about the future, which could explain why 88% of lawyers in Germany would consider relocating internationally for a suitably attractive position.

## In-house | Germany

PQE	Median Salary Range
0-1	€42,000 - 48,000
2-3	€48,000 - 62,000
4-5	€74,000 - 82,000
6-7	€81,000 - 93,000
8-9	€96,000 - 116,000
10-11	€102,000 - 124,000
12-13	€110,000 - 131,000
14-15	€125,000 - 150,000
16+	€146,000+

### GERMANY KEY FINDINGS



**66%**

received a bonus in 2012 with 34% indicating their bonus was between 11% and 19%.

**56%**

saw no change in bonus level year on year although a quarter did experience an increase in bonus.

**83%**

specified that they were satisfied with their bonus level.

**1/3**

of lawyers in Germany took between 1 and 3 months to find their current role.

## Private Practice | Germany

PQE	Median Salary Range
1	€75,000 - 92,500
2	€80,000 - 100,000
3	€85,000 - 115,000
4	€90,000 - 120,000
5	€95,000 - 130,000
6+	€105,000+

## PRIVATE PRACTICE

Unlike the rest of the European economies, the German market continued to build on a relatively strong end to 2011 with consistent, if not stratospheric, growth in 2012. In response to increased demand, law firms used 2012 to diversify into key practice areas, making their practices more resilient should the global economy continue in a stagnant fashion.

Salaries remain strong at all levels, with some lawyers at the junior to mid-level in leading international law firms earning more than their counterparts in London. This is unsurprising, not least because of the stronger economy in Germany, but also because German lawyers on average tend to be better educated at this level (with most having an LLM and/or a doctorate in Law).

**1/4**

of lawyers left their last position to pursue enhanced career prospects.

**3%**

left in order to relocate in 2012 although 88% would consider relocating internationally in 2013.

**13%**

of those working for law firms left to move in-house in 2012 with a further 6% interested in making the same move in 2013.

**30%**

will actively be looking for a new job in 2013 with 42% stating they are open to being headhunted.

**23%**

identified budget restraints as their biggest recruitment challenge in 2012.

**31%**

of companies have a standalone compliance function within their business.

**64%**

include compliance as part of their legal department.

**65%**

sourced their compliance team from a legal background with two thirds preferring this to any other experience.

Geneva  
46° 15' 6" N  
6° 8' 0" E



# Switzerland



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## In-house | Switzerland

PQE	Median Salary Range
0-1	CHF 110,000 - 135,000
2-3	CHF 120,000 - 140,000
4-5	CHF 130,000 - 160,000
6-7	CHF 140,000 - 170,000
8-9	CHF 160,000 - 205,000
10-11	CHF 180,000 - 245,000
12-13	CHF 200,000 - 265,000
14-15	CHF 240,000+

The legal recruitment market in Switzerland can be categorised by a mixture of outlooks, with 14% of legal departments stating their company had reduced headcount in 2012 and 49% having experienced headcount growth. In some instances hiring freezes have been put in place, which could explain the 36% of legal departments which saw the size of their legal teams remain the same. For those organisations that did experience headcount growth in 2012, the highest proportion (30%) hired only two additional lawyers.

The life sciences sector remains buoyant with many biotechnology, pharmaceutical and medical devices companies setting up their headquarters or regional offices in Switzerland.

Despite the increase in roles within life sciences, a short supply of appropriate talent exists in Switzerland and in circumstances where suitable candidates are available in other European countries, some would not consider relocation.


Lawyers with compliance and regulatory experience are in high demand across the Swiss region as companies look to reinforce this function and limit risk. 62% of legal departments in Switzerland currently include the compliance role as part of their legal division and only 28% have compliance as a standalone function. 59% of compliance professionals currently working within Swiss in-house legal departments come from a law background and 64% of companies specified this to be a preference.


Compensation has remained fairly static for the more senior lawyers, however for those at the junior to mid-level, salaries have decreased slightly due to slow movement in the market. The strength of the Swiss Franc has meant that some multinationals have considered positioning roles in other countries where costs are lower.

Although the Swiss market is anticipated to slow down slightly in 2013, the life sciences industry is likely to go from strength to strength. Candidates with strong commercial skills, a strategic outlook, a proactive approach and a genuine ability to act as a business partner will be well placed in 2013 and will hold strong negotiating power when looking for a new role.



**A quarter of** lawyers working in Switzerland will be expecting an increase in salary of between 5% and 10% when considering a new role in 2013.


 <b>SWITZERLAND KEY FINDINGS</b>		
<b>25%</b>	<b>80%</b>	<b>24%</b>
will be looking for an increase in salary of between 5% and 10% when considering a new role in 2013.	stated they were satisfied with their bonus, despite 72% receiving either the same level of bonus as 2011 or a decrease.	anticipate changing jobs in 2013, although 43% admitted they would consider moving for the right role.
<b>76%</b>	<b>24%</b>	<b>40%</b>
received a bonus in 2012.	of lawyers working in Switzerland have been in their roles for between 5 and 10 years.	feel pessimistic about the future of the economy. Perhaps this is why 90% would consider relocating internationally for the right role.
<b>37%</b>	<b>32%</b>	<b>39%</b>
received a bonus of between 20% and 29% of their basic salary.	left their last role in search of more interesting work.	of legal departments expect headcount growth of between 1 and 5 lawyers in 2013.
<b>55%</b>	<b>29%</b>	<b>25%</b>
indicated that their bonus remained at the same level year on year, with 28% receiving an increase in bonus.	will be looking to move industries in the new year.	of legal departments stated budget restraints as their biggest recruitment challenge in 2012.




Moscow  
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37° 30' 56" E

# Russia

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Moscow, 123001

## In-house | Russia Commerce & Industry

PQE	Median Salary Range
0-1	RUR 600,000 - 960,000
2-3	RUR 1,080,000 - 1,560,000
4-5	RUR 1,440,000 - 2,040,000
6-7	RUR 1,680,000 - 2,760,000
8-9	RUR 1,800,000 - 3,000,000
10-11	RUR 2,520,000 - 3,960,000
12-13	RUR 3,120,000 - 4,800,000
14-15	RUR 4,200,000 - 6,000,000
16-20	RUR 4,800,000 - 7,200,000
21+	RUR 6,000,000+
Compliance Officer/ Country Compliance Officer	RUR 7,800,000
Regional Compliance Manager	RUR 9,000,000

## IN-HOUSE

Russia experienced a relatively active 2012 although the demand for jobs far outweighed the supply. 42% of legal departments in Russia and 35% of law firms experienced headcount growth in 2012 although for the largest proportion (31%) this increase only equated to one additional lawyer.


There has been an increase in the requirement for corporate, tax, labour and e-commerce lawyers as well as lawyers able to provide organisations with full legal support. In contrast, there has been a decrease in the demand for lawyers with M&A and investment experience.

Compliance remains a key growth area in Russia with many organisations looking to further develop this function in 2013. 55% of companies incorporate compliance as part of their legal division which is unsurprising as 64% of organisations prefer to source their compliance employees from a legal background.

Compensation levels remained modest in Russia with salaries staying relatively unchanged from 2011 levels. Just under half (46%) of lawyers in Russia received a bonus in 2012 with over a third (36%) receiving between 10% and 19% of their basic salary. Despite 58% receiving the same bonus year on year, 61% of Russian lawyers were satisfied with the level of their bonus, which is indicative of the nature of the market.

The future of the Russian legal market is likely to remain steady with pockets of growth occurring in industries such as IT and telecommunications, FMCG and e-commerce. Remuneration levels are not likely to change dramatically, although 36% of lawyers in Russia who will be considering a new role in 2013 will be expecting an increase in salary of 31% or more, which may be difficult to achieve considering the client led nature of the market. In spite of the unsteady economy in Europe, multinationals continue to consider Russia as an attractive region for expansion.

Just under half (46%) of lawyers in Russia received a bonus in 2012 with over a third (36%) receiving between 10% and 19% of their basic salary. Despite 58% receiving the same bonus year on year, 61% of Russian lawyers were satisfied with the level of their bonus, which is indicative of the nature of the market.

 <b>RUSSIA KEY FINDINGS</b>		
<b>36%</b> of lawyers in Russia considering a new role in 2013 will be looking for an increase in salary of 31% or more.	<b>1/4</b> have been working for their current employer for between 1 to 2 years.	<b>90%</b> would consider relocating internationally for the right role.
<b>58%</b> of lawyers working within financial services in Russia received a bonus in 2012. This was higher than commerce & industry (50%) and almost double private practice (31%).	<b>45%</b> indicated the main reason for leaving their last position was to move to a role paying more money.	<b>41%</b> expect headcount growth in 2013 of between 1 and 5 additional lawyers.
<b>40%</b> received between 20% and 29% of their basic salary as a bonus in 2012.	<b>10%</b> will be looking to move from in-house to private practice in 2013, contradicting the global trend of lawyers looking to move away from law firms.	<b>44%</b> anticipate no headcount growth at all during 2013.
<b>58%</b> received the same bonus in 2012 as 2011 and 61% were satisfied with this level of bonus.	<b>30%</b> will actively be looking to change jobs in the new year, with 44% remaining open to being approached for suitable roles.	<b>55%</b> of organisations in Russia include compliance as part of their legal division, only 29% have it as a standalone function.
		<b>64%</b> of companies prefer to source their compliance employees from a legal background.



## PRIVATE PRACTICE

There were significant differences between private practice and in-house in 2012. Whilst the in-house sector recruitment levels remained fairly active in various industries, law firms continued to recruit somewhat cautiously, with only a few firms prepared to invest in new practices (mainly boutique US firms with relatively small offices in Russia). The collapse of one US firm globally led to a team of over 50 lawyers setting up a new office in Russia for another large US firm, which caused the recruitment market to become stagnant for a period of time.

The biggest prospects for firms in 2012 were corporate transactional partners with solid and well-established business. However, some firms have been prepared to take a bit more risk and invest in less mainstream practices, such as IP/TMT, competition, asset finance, infrastructure and private equity.

There have been positive signs in the market, with some firms giving a 10 to 15% salary increase across the board, and others awarding outstanding performers with up to 30% bonuses. Indications for 2013 are perhaps not as promising, with a number of firms likely to rely on a merit-based approach for any future salary increases.

### Private Practice | Russia NY firms

PQE	Median Salary Range
0-1	USD 85,000 - 140,000
2-3	USD 120,000 - 175,000
4-5	USD 160,000 - 240,000
6-7	USD 220,000 - 300,000
8+	USD 280,000+

### Private Practice | Russia US Mid-Atlantic firms

PQE	Median Salary Range
0-1	USD 50,000 - 90,000
2-3	USD 75,000 - 135,000
4-5	USD 120,000 - 165,000
6-7	USD 150,000 - 210,000
8+	USD 200,000+

## Private Practice | Russia UK Magic Circle firms

PQE	Median Salary Range
0-1	USD 45,000 - 70,000
2-3	USD 65,000 - 115,000
4-5	USD 90,000 - 165,000
6-7	USD 150,000 - 220,000
8+	USD 200,000+

## Private Practice | Russia Other City firms & large US firms

PQE	Median Salary Range
0-1	USD 25,000 - 50,000
2-3	USD 40,000 - 70,000
4-5	USD 65,000 - 110,000
6-7	USD 100,000 - 150,000
8+	USD 150,000+

# Offshore



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## PRIVATE PRACTICE

Whilst other markets continued to struggle, there was a real resurgence in the various offshore markets in 2012. The Cayman Islands and BVI saw a wave of activity throughout the year, particularly in relation to team moves amongst the various firms already on the islands.

The Channel Islands were especially busy, with recruitment across a range of practice areas including funds, general finance and commercial disputes. Perhaps more interestingly for some, 2012 was the year for offshore firms to open in “new” low-tax jurisdictions such as Mauritius and Luxembourg.

Salaries in the offshore markets generally reflect mid-city London rates and sometimes are slightly higher, depending on the location, practice area and background of the lawyer in question. The major benefit is of course the low rates of personal income tax, ranging from 0% in the Cayman Islands to 20% in the Channel Islands. However, the vast majority of lawyers who move to these jurisdictions still do so for a better quality of life, whilst being able to work on high-quality international transactions or cases.

The Cayman Islands still lead the way in respect of merit-based bonus systems, with associates at some firms able to keep attractive amounts of their own personal billings above certain levels. Most of the other offshore jurisdictions still tend to work on the more standard discretionary bonus system, ranging from around 0 to 30% of the annual base salary.

### Private Practice | Jersey

PQE	Median Salary Range
NQ	£45,000 - 60,000
1	£49,000 - 66,000
2	£55,000 - 72,500
3	£62,000 - 80,000
4	£70,000 - 89,000
5	£68,000 - 100,000
6+	£75,000 - 145,000
Salaried Partner, 1st year	£100,000 - 180,000
Salaried Partner, 2nd year	£120,000 - 210,000
Salaried Partner, 3rd year	£150,000 - 275,000

### Private Practice | Guernsey

PQE	Median Salary Range
NQ	£47,500 - 60,000
1	£52,000 - 66,000
2	£55,000 - 72,500
3	£62,000 - 80,000
4	£70,000 - 89,000
5	£70,000 - 100,000
6+	£70,000 - 135,000
Salaried Partner, 1st year	£100,000 - 180,000
Salaried Partner, 2nd year	£120,000 - 210,000
Salaried Partner, 3rd year	£150,000 - 275,000

## Private Practice | Cayman Islands

PQE	Median Salary Range
NQ	
1	n/a (due to work permit restrictions)
2	
3	USD 130,000 - 160,000
4	USD 145,000 - 180,000
5	USD 160,000 - 220,000
6+	USD 175,000+
Salaried Partner, 1st year	USD 250,000 - 425,000
Salaried Partner, 2nd year	USD 275,000 - 600,000

## Private Practice | British Virgin Islands

PQE	Median Salary Range
NQ	n/a (due to work permit restrictions)
1	
2	USD 100,000 - 125,000
3	USD 115,000 - 140,000
4	USD 125,000 - 155,000
5	USD 140,000 - 170,000
6+	USD 150,000+





Dubai  
25° 18' 0" N  
55° 18' 0" E

# Middle East, Turkey & Africa



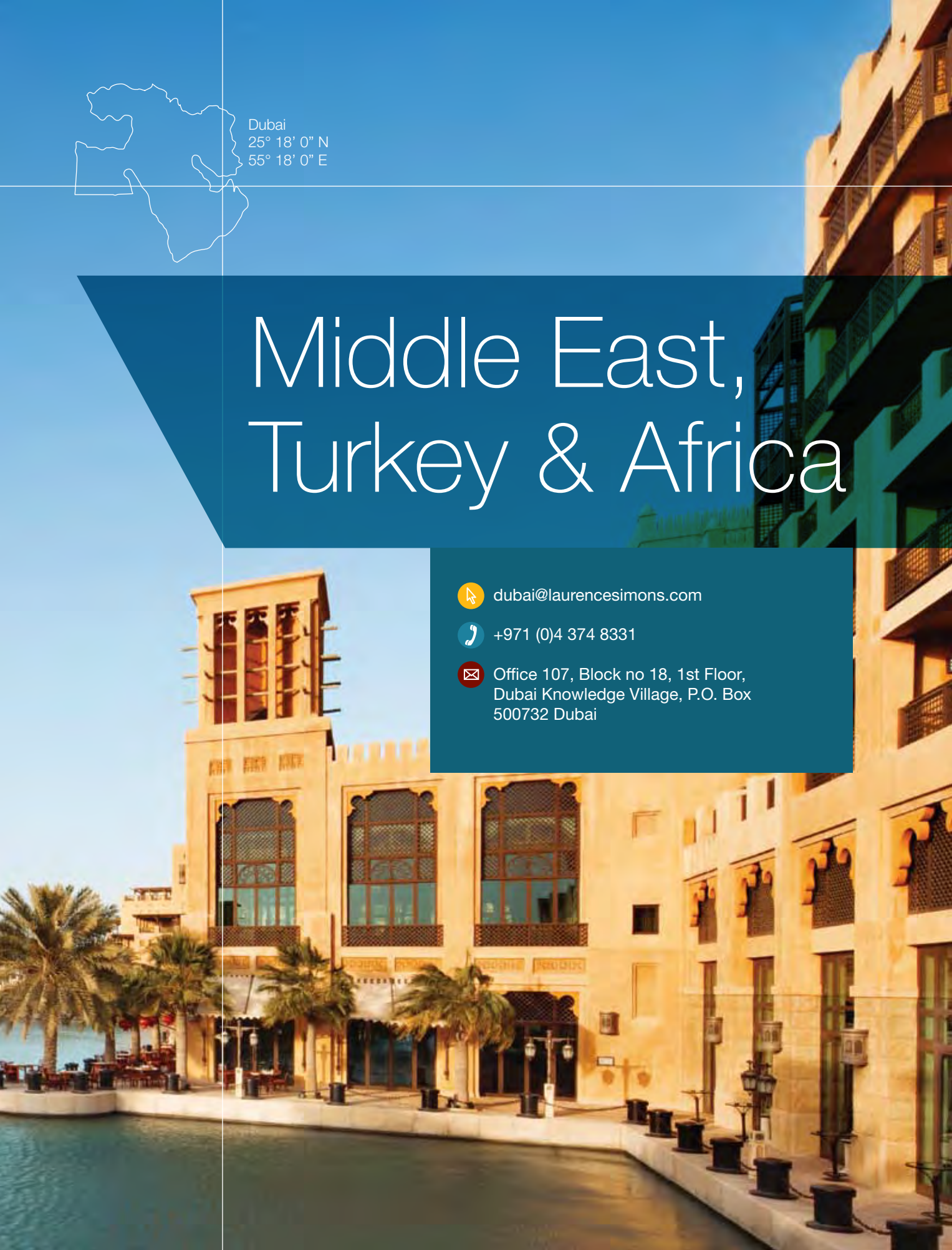
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## In-house | Dubai

PQE	Median Salary Range*
0-1	AED 20,000 - 25,000
2-3	AED 25,000 - 40,000
4-5	AED 35,000 - 50,000
6-7	AED 40,000 - 65,000
8-9	AED 50,000 - 85,000
10-11	AED 60,000 - 100,000
12-13	AED 70,000 - 120,000
14+	AED 75,000 - 140,000
Compliance Officer / Country Compliance Officer	AED 35,000 - 60,000
MEA Compliance Lead	AED 60,000 - 95,000

\*Monthly salary includes basic salary, transport and housing allowance. This does not include, bonus, stocks, education allowance, flights, medical and other allowances some firms provide depending on the level of the role.

## IN-HOUSE

With unstable economies in Europe and the US, it would have been easy to surmise that the Middle East and Africa would have suffered quietly through another slow year in 2012. However, despite forecasts of an inert market, 2012 was buoyant within in-house in the UAE, with a number of newly created roles, as well as significant movement in sectors such as life sciences and TMT. Standalone legal functions still abound, although some energy and life sciences organisations have implemented larger legal teams with more complex setups. Financial services continued

to struggle although there were various strong pockets of activity due to the emergence of some new private equity firms focussing on Turkey and Africa, but utilising capital (and basing themselves) in Middle Eastern countries.

With 54% of those within the MEA region indicating that their legal teams increased in size during 2012, it seems the Middle East is no longer solely dependent on forces in the West and the success of this region is now more in tune with market movements in Asia.

A common trend in the Middle East has been the requirement from multinationals to hire bilingual lawyers, particularly those fluent in Arabic. A further trend in this market, especially for firms with standalone counsel, has been the necessity of hiring a true legal all-rounder; someone equipped to deal with both legal and compliance matters. There is an increasing demand for compliance professionals within larger organisations, specifically those with headquarters in the US and UK, where anti-bribery and FCPA laws are of huge importance.

Salary packages in parts of the Middle East are some of the highest in the world. Though at first glance they may appear to be lower than that of other nations, the tax free nature of the market coupled with competitive benefits makes for an attractive overall package for lawyers.

The relative immaturity of compliance as a function in the MEA region has meant that sourcing suitable candidates can prove challenging at times.

Despite the unrest in Syria, continued protests in Egypt and the ever-present tumult in Gaza, the rest of the Middle East has seen little effect. In fact, rather than a decrease in recruitment activity being the challenge, it has been more a case of convincing international candidates to consider roles in the MEA.

Salaries for in-house roles suffered perhaps their most brutal correction since 2009, as multinationals sought to appoint strong talent at competitive rates. The desire for a stable, long term role with international prospects – borne out of the fallout from the slump in 2008 – has led to candidates in some cases taking a 20% pay reduction to secure these types of positions. Large localised businesses within the Middle East continue to pay the healthiest salaries certainly at the senior level.

In 2013 we expect to see an increase in the requisition of standalone compliance roles, as well as the bolstering of existing legal teams, with a need for specific country counsel in places like Saudi Arabia and Qatar. The Middle East is expected to once again benefit from being a central global hub, with multinationals looking to place their regional headquarters in Dubai, allowing easy access to the world's major markets.



## Private Practice | Dubai

PQE	Salary Range (per month)
0-1	AED 33,000 - 35,000
2-3	AED 36,000 - 45,000
4-5	AED 45,000 - 54,000
6-7	AED 52,000 - 64,000
8-9	AED 68,000+
10+ / Salaried Partner	AED 72,000+

## PRIVATE PRACTICE

Recruitment remained slow over the course of 2012 and the predicted larger scale hiring in regions including Abu Dhabi and Doha unfortunately did not transpire. However, Dubai remains the key market for local and established international law firms covering the UAE with construction and litigation becoming focal areas. There was also movement of lawyers between firms in the Middle East, especially in areas of corporate and litigation where knowledge of the UAE laws is very important.

The private practice market saw little movement in salary levels across the Gulf region. However, international


firms increased salaries between 4% and 6% in 2012, with remuneration at Magic and Silver Circle firms as well as US firms being significantly higher than their local competition.

Associates at US firms often receive lockstep base compensation proportionate with associates in the US based offices, although US citizens, unlike UK citizens, are taxed on their remuneration.

Local firms' remuneration structures vary slightly, with some firms rewarding lawyers with commissions relating to their personal billings at the end of each quarter rather than the conventional salary bandings being determined by PQE level.

A common trend has been for firms to pay a premium for lawyers with an international education as well as a law firm background. Arabic language skills stood candidates in good stead in 2012 and this is likely to continue into the new year.

With tax free salaries, return flights and relocation packages often being offered in addition to base salaries, Dubai remains an attractive option for the 83% of lawyers who would consider relocating internationally.



## DUBAI KEY FINDINGS

<p><b>53%</b> received a bonus in 2012, with 27% receiving between 10% and 19%.</p>	<p><b>90%</b> would consider relocating internationally for the right role.</p>
<p><b>67%</b> were satisfied with their bonus.</p>	<p><b>54%</b> receive a housing allowance as part of their benefits package and 26% stated this was a vital benefit when considering a new role.</p>
<p><b>44%</b> received an increase in bonus year on year and 44% indicated that their bonus remained at the same level as 2011.</p>	<p><b>35%</b> receive a schooling allowance for their children and 80% see this as an important benefit to be included in a package.</p>
<p><b>36%</b> left their last position to move to a role paying a higher salary.</p>	<p><b>71%</b> receive an annual bonus and 96% see this as an important benefit.</p>
<p><b>16%</b> will be actively looking for a new role in 2013 with 49% stating they are open to considering a new opportunity but will not be actively looking to move.</p>	<p><b>35%</b> receive a car allowance although 55% do not see this as an important benefit.</p>

### Benefits in the UAE

Benefits remain an important part of the total remuneration package in the UAE, perhaps more so than any other location in the world. 54% of respondents indicated that they received a housing allowance in 2012, with 26% identifying it as a vital benefit when considering a new role. 35% received a schooling allowance for their children, with 80% seeing this as an important benefit to be included in their overall package. 85% receive private medical or healthcare insurance and 35% receive a car allowance, although 55% do not see this as an important benefit at all. 71% of legal professionals in the UAE receive an annual bonus, with 96% confirming this as an important benefit.

# Turkey

## OVERVIEW

2012 saw the Turkish market continue to grow at a steady pace although perhaps not at the same rate as other emerging markets. There was an increased focus from in-house legal departments in Turkey to either expand or upskill their existing legal teams. As a result a number of organisations introduced newly created positions at the mid to senior level, appointing lawyers that are able to facilitate the company's growth and the legal issues that arise as a result.

There is a general feeling that the Turkish economy has managed to weather the economic storm and is therefore far better placed than some of its neighbours moving into 2013. This confidence is reflected in the large projects and joint ventures that in-house lawyers have been tasked to work on. M&A activity remains a key focus for businesses across the region, with foreign multinationals looking to buy into the market and large Turkish conglomerates exploring expansion both locally and internationally.

Turkey has a strong legal talent pool with lawyers often possessing academic or professional qualifications from the US or Europe. There are also now a number of senior level General Counsels holding multi regional positions. On the whole we have found that Turkish lawyers at the mid to senior level display a commercially minded approach and are technically strong. That said English language skills may not be at the same level as other nations in the META region.

Despite its differing legal system, Turkey is fast becoming the conduit between Europe and the MEA region. The Government is continuously looking to implement changes such as the Commercial Code and the amendments to the tax legislation, which is encouraging foreign investment. Infrastructure remains a concern but with large scale projects in the pipeline, this will hopefully improve to some extent in the future. Such changes in combination with Turkey's talent pool, location, and unique cultural blend, make it an attractive prospect for multinationals looking to establish regional HQs that are able to cover the META region and sometimes further afield.

## In-house | Turkey

PQE	Median Monthly Salary Range*
2-3	TL 4,000 - 8,000
3-4	TL 5,000 - 9,000
4-5	TL 6,000 - 11,000
6-7	TL 8,000 - 13,000
8-9	TL 9,000 - 15,000
10-15**	TL 11,000 - 25,000
15+**	TL 16,000 - 40,000+

\* These bandings do not include, bonus, car allowance, stocks or any other benefits that certain firms may give depending on the level of the role.

\*\* These salary bandings, certainly at the mid to higher end of the bandings, relate to Heads of Legal, Legal Directors and General Counsels. At the higher end of the bandings it is often found that such roles have responsibility for a number of regions as well as larger teams.

# Africa

## OVERVIEW

Africa remains a developing market for many multinationals and despite the challenging and diverse environment, is increasingly becoming a focus for those looking to expand and capitalise from the growth being experienced across the continent.

This expansion has undoubtedly fuelled the demand for high calibre lawyers and compliance professionals with many businesses viewing such appointments as

paramount criteria in their business risk strategy. This is particularly the case due to the far reaching FCPA and the UK anti-bribery legislation as well as the perception that Africa is generally a corruption hotspot.

The legal recruitment market in Africa is localised in nature, certainly at the mid-level. The talent pool in pockets of Africa (e.g. Nigeria, Kenya) is of a high calibre and it is not uncommon for legal professionals to be qualified not only in their local

jurisdiction but also have university and professional qualifications from the US, UK or Europe. As a consequence companies operating across the continent rarely have to source talent from outside the African borders. The insular nature of these markets has resulted in an increase in competition when seeking a new opportunity, and the only international / cross border moves consistently seen have been at the senior level for regional lead positions.

## NORTH AFRICA

2012 was a challenging and at times turbulent year across North Africa but surprisingly the legal recruitment market remained steady. Particular buoyancy was experienced across Algeria, Morocco, Tunisia and Libya (to an extent) predominantly in the healthcare, technology and energy sectors. Due to the political turbulence being experienced in Egypt, recruitment levels across this region slowed during 2012.

The Maghreb region has become a focal point of growth for multinationals, resulting in an increase of senior level in-house roles being recruited and as companies compete to secure talent across the region, salaries have become increasingly competitive. Furthermore, as legal teams develop, there has been a shift from country specific appointments to more regional roles being recruited.

### In-house | North Africa

PQE	Median Salary Range*
3-4	USD 1,800 - 3,000
4-6	USD 2,500 - 4,150
6-8	USD 3,000 - 5,400
8-10	USD 3,800 - 6,600
10-14	USD 5,000 - 9,200
14+	USD 8,000 - 13,500+

\*These bandings should be used as a broad indication of salaries in the North African region. A wide spread of figures have been given as each region varies to a degree and salaries are often dependent on the industry as well as the jurisdictions covered within the role. All figures quoted reflect monthly gross salaries excluding bonus and other benefits.

### Private Practice | North Africa

PQE	Median Gross Salary Range
NQ	USD 18,000 - 24,000
1-5	USD 24,000 - 36,000
5-8	USD 36,000 - 60,000
8-10	USD 60,000 - 96,000
10+	USD 96,000+



# Africa

It is anticipated that recruitment levels in Africa will continue in the same fashion as 2012, with many companies and firms expecting expansion in 2013, albeit cautious expansion with an increased emphasis on control mechanisms being put in place. This of course is positive for lawyers and compliance professionals operating in Africa as there is likely to be an increase in the number of opportunities available to them.

## SUB-SAHARAN AFRICA

Legal Recruitment in sub-Saharan Africa continued to develop with noteworthy levels of activity in Nigeria, Angola, Kenya and South Africa, particularly at the mid and senior levels. The energy and technology sectors have demonstrated significant growth with multinationals expanding their in-house legal teams and similarly to North Africa, increasing the need for roles with regional scope.

Outside of South Africa in locations such as Nigeria, Kenya and Angola, multinationals have been willing to pay significantly more for candidates from the top local private practice firms. On occasions this has equated to double their existing salaries and certainly illustrates that the war for talent is rife.

The global trend for compliance professionals continues in sub-Saharan Africa, with these professionals reaching compensation levels similar to lawyers with the same level of experience.

## In-house | Sub-Saharan Africa

PQE	Median Salary Range*
0-1	USD 15,000 - 20,000
2-3	USD 17,000 - 22,000
4-5	USD 22,000 - 30,000
6-7	USD 30,000 - 35,000
8-9	USD 35,000 - 50,000
10+	USD 55,000 - 100,000
Head of Legal	USD 100,000+
General Counsel	USD 150,000+

\*These bandings should be used as a broad indication of salaries in the Sub-Sahara Africa region. A wide spread of figures have been given as each region varies slightly and salaries are often dependent on the industry as well as the jurisdictions covered within the role. All figures quoted reflect annual gross salaries excluding bonus and other benefits.

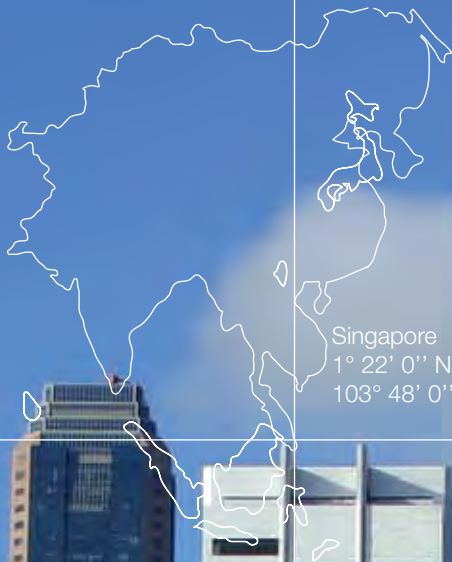
## In-house | South Africa

PQE	Median Salary Range
0-1	USD 25,000 - 35,000
2-3	USD 35,000 - 40,000
4-5	USD 40,000 - 60,000
6-7	USD 60,000 - 80,000
8-9	USD 80,000 - 110,000
10+	USD 130,000+
Head of Legal	USD 150,000 - 200,000
General Counsel	USD 200,000+

## Private Practice | Sub-Saharan Africa

PQE	Median Gross Salary Range*
NQ	USD 20,000 - 45,000
1-5	USD 24,000 - 80,000
5-8	USD 28,000 - 100,000
8-10	USD 36,000 - 150,000
10+	USD 48,000 - 150,000+

\*These bandings should be used as a broad indication of salaries in the Sub-Sahara Africa region. A wide spread of figures have been given as each region varies to a large degree and salaries are often dependent on the candidates specialisation, the size of the firm, as well as the jurisdiction. All figures quoted reflect annual gross salaries excluding bonus and other benefits.



Singapore  
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# Singapore



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## OVERVIEW

Singapore presented a resilient front throughout 2012, despite the global economy presenting a mixed picture. The legal recruitment market remained robust as a result of the significant growth in pan-regional projects, transactional work and infrastructure developments. Overall 47% of organisations in Singapore saw headcount growth in 2012, with a third employing an additional two lawyers.

While there were some major game changes in employment as a result of various consumer goods giants redirecting Asian headquarters into mass target markets such as China, for the most part infrastructure, software and components sectors in technology grew in 2012. This was due to the increasing demand for mobile applications and connectivity technology as well as intellectual property across both mature and developing markets in Asia

As European multinationals look to bolster their Asian based operations, the requirement for compliance professionals has increased. Interestingly, 63% of organisations in Singapore include the compliance function as part of the legal department and 71% prefer to source their compliance employees from a legal background.

It is expected that in 2013 a number of global multinationals will look to set up operations in the booming emergent markets within the South East Asian region, namely Indonesia and Vietnam. This focus has generated opportunities for individuals with FCPA, anti-bribery and anti-corruption experience, as these are viewed as highly desirable skill sets.

## In-house | Singapore Pharmaceuticals / Chemical / Medical

PQE	Median Salary Range*
0-1	SGD 50,000 - 80,000
2-5	SGD 80,000 - 120,000
6-9	SGD 110,000 - 160,000
10-14	SGD 150,000 - 220,000
15-18	SGD 180,000 - 260,000
19+	SGD 250,000 - 550,000

## In-house | Singapore Technology

PQE	Median Salary Range*
0-1	SGD 50,000 - 70,000
2-5	SGD 70,000 - 110,000
6-9	SGD 100,000 - 150,000
10-14	SGD 140,000 - 180,000
15-18	SGD 170,000 - 240,000
19+	SGD 250,000 - 400,000

## In-house | Singapore FMCG

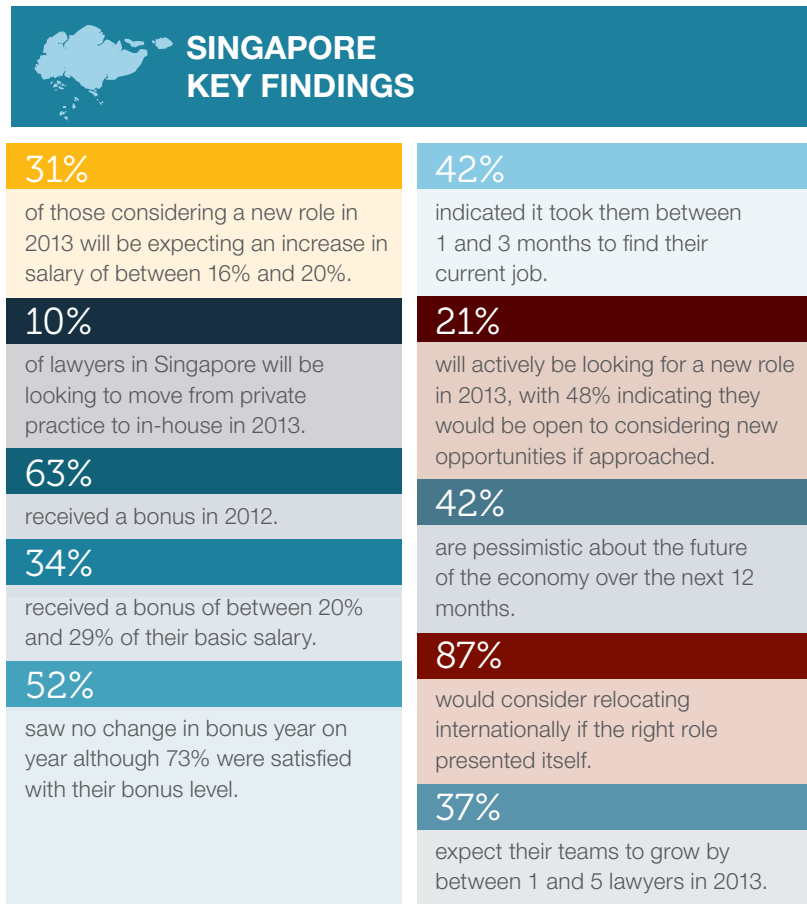
PQE	Median Salary Range*
0-1	SGD 50,000 - 70,000
2-5	SGD 60,000 - 100,000
6-9	SGD 100,000 - 150,000
10-14	SGD 140,000 - 180,000
15-18	SGD 170,000 - 240,000
19+	SGD 250,000 - 400,000

\*All salary bandings are median annual salary ranges.

# Singapore

## In-house | Singapore Energy - Non-renewable

PQE	Median Salary Range*
0-1	SGD 50,000 - 70,000
2-5	SGD 90,000 - 120,000
6-9	SGD 110,000 - 170,000
10-14	SGD 140,000 - 210,000
15-18	SGD 200,000 - 260,000
19+	SGD 260,000 - 500,000







Hong Kong  
22° 15' 0" N  
114° 10' 0" E

# Hong Kong & Mainland China



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## HONG KONG

Hong Kong managed to retain traction on services and in-bound travel to cushion the impact of the global economy in 2012. On the domestic front, consumption remained strong growing up to 5.6%, with particular growth being experienced in the life sciences, pharmaceuticals and FMCG industries.

With global investors gravitating towards Asia, Hong Kong retains an advantageous position thanks to its friendly tax systems and the fact that it is a developed Asian market. As

investment in the region increases, the need for multinationals to bolster their compliance functions will grow in importance.

A number of global companies view Hong Kong as a stepping stone into the attractive market of China. As a result, there have been investments and recruitment opportunities for individuals with FCPA, anti-bribery and anti-corruption experience. Salaries have reflected the positive aspirations of investors in Asia by moving upwards by an impressive 20% to 35%.

### In-house | Hong Kong

PQE	Median Salary Range
NQ	HKD 600,000 - 800,000
1-4	HKD 700,000 - 1,000,000
4-6	HKD 800,000 - 1,400,000
6-10	HKD 1,200,000 - 1,800,000
10-14	HKD 2,000,000 - 2,600,000
15-18	HKD 2,500,000 - 3,000,000
18-20	HKD 3,000,000 - 4,000,000

Salaries have reflected the positive aspirations of investors in Asia by moving upwards by an impressive 20% to 35%.

# Hong Kong & Mainland China



## HONG KONG KEY FINDINGS

**28%**

of those considering a new role in 2013 will be expecting an increase in salary of between 16% and 20%.

**50%**

received a bonus in 2012 with 30% receiving between 20% and 29% of their basic salary.

**52%**

saw no change in bonus in 2012 compared to 2011 although the same proportion of lawyers expressed their dissatisfaction with their bonus.

**34%**

found their current role in less than a month with 28% indicating they left their last position to take a job paying a higher salary.

**92%**

of lawyers in Hong Kong feel secure in their current job despite the fact that 49% feel pessimistic about the future of the economy.

**13%**

will be actively looking for a new role in 2013.

**81%**

would consider relocating internationally for a suitable opportunity in 2013 although only 2% took the plunge in 2012.

**52%**

of organisations in Hong Kong experienced headcount growth in 2012; a third of these companies made 2 additional hires.

**48%**

expect headcount growth in 2013 of between 1 and 5 lawyers.

**59%**

stated sourcing talent with the right skills and experience as their biggest recruitment challenge in 2012.

**34%**

of organisations have a standalone compliance function.

**52%**

include compliance as a part of their legal departments.

**43%**

currently have compliance professionals with a legal background working in their organisations and 83% prefer this.

## MAINLAND CHINA

Growth in China remained stable in 2012, with steady inflation figures and strong domestic consumption of up to 40% of GDP. In spite of threats of a European downturn, many multinationals continued to invest and expand into China and as a result, the role of compliance grew in importance.

Due to significant growth in the technology, life sciences, pharmaceuticals and FMCG industries, there has been a relocation and expansion of a

number of roles being recruited in China that were once based in other Asian countries.

The growth of localised brands has increased in recent months with the assembly, manufacturing and engineering of consumer goods all taking place in China and as a result creating new roles across the country. As these local brands expand and look to compete internationally, it is expected that there will be an increase in opportunities for individuals with

FCPA, anti-bribery and anti-corruption experience.

The overall positive forecasts in China have ramped up both local and foreign investment in the region and as a result there has been an upwards revision of salaries, with increments between 20% and 35% above the norm. This explains why 24% of those considering a new role in 2013 will be expecting an increase in salary of more than 31% of their basic salary.

### In-house | China Commerce & Industry

PQE	Median Salary Range
2-5	RMB 120,000 - 400,000
6-9	RMB 350,000 - 850,000
10-14	RMB 900,000 - 1,500,000
15-18	RMB 1,500,000 - 2,500,000
19+	RMB 2,500,000 - 5,000,000

The overall positive forecasts in China have ramped up both local and foreign investment in the region and as a result there has been an upwards revision of salaries, with increments between 20% and 35% above the norm.



## MAINLAND CHINA KEY FINDINGS

**51%**

received a bonus in 2012 and just over a quarter (27%) received between 20% and 29%.

**45%**

received the same bonus in 2012 as the previous year and 69% indicated they were satisfied with the level of their bonus.

**5%**

have been employed in the same role for over 10 years.

**44%**

took between 1 and 3 months to find their current job.

**24%**

indicated that they left their last job to take an opportunity paying more money.

**5%**

left their role to relocate in 2012 although 88% will be considering relocation in 2013.

**7%**

of lawyers within in-house legal departments will be looking to move to private practice in 2013, conversely to the global trend.

**35%**

will actively be looking for a new job in the next 12 months.

**39%**

are pessimistic about the future of the economy in China.

**44%**

of organisations in China experienced headcount growth in 2012.

**12%**

hired 10 or more additional lawyers.

**38%**

expect to hire between 1 and 5 new employees in 2013.

**21%**

of companies in China indicated budget restraints as the biggest recruitment challenge faced in 2012.

**39%**

of organisations in China have a standalone compliance function

**58%**

include the role of compliance in their legal department.

**2/3**

organisations have compliance staff with a legal background with 61% stating they prefer this.



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72° 49' 33" E

# India



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## India | In-house

PQE	Median Salary Range
0-1	Lakhs 4 - 8
2-3	Lakhs 7 - 12
4-5	Lakhs 9 - 18
6-7	Lakhs 11 - 20
8-9	Lakhs 25 - 35
10-11	Lakhs 30 - 49
12-13	Lakhs 40 - 58
14-15	Lakhs 47 - 64
16-20	Lakhs 60 - 120
21+	Lakhs 85 - 175+
Head of Legal	Lakhs 55 - 75
General Counsel	Lakhs 75 - 175

### OVERVIEW

Despite some uncertain economic times across the globe, the Indian legal recruitment market seems to have been affected less than other countries. Industries such as TMT and consumer goods have fared well, with continued growth and expansion throughout the country leading to an increase in hiring requirements. 55% of legal departments in India experienced headcount growth in 2012 although in most cases, this related to replacement hires rather than team expansion. This was particularly prevalent in financial services, where lawyers looked to move out of the sector.

There has been a definite increase in the demand for lawyers with compliance experience throughout the Asian market. 73% of respondents in India stated that when sourcing their compliance staff, a legal background is preferable. This comes as no surprise given that 71% of organisations include the compliance function as part of their legal department. Only 15% of companies in India have a standalone compliance function - a figure which we expect to see increase over the coming years.

When considering a new role, candidates are putting a greater focus on base salaries and the overall value of benefit packages. Candidates have become wary of bonuses and in circumstances where employers have not been willing to consider an increase in base salary as a substitute for a bonus, the offers have often been rejected. This is surprising as 72% of lawyers in India received a bonus in 2012 (12% higher than the global average) with the highest proportion (31%) receiving between 10% and 19% of their basic salary. 51% indicated this was an increase in bonus and 40% saw no change year on year.



INDIA KEY FINDINGS		
<b>41%</b> will be expecting an increase in salary of over 31% when considering a new role in 2013.	<b>8%</b> left private practice to move into an in-house legal department in 2012.	<b>72%</b> are optimistic about the future of the economy.
<b>72%</b> received a bonus in 2012.	<b>4%</b> left their previous job to relocate in 2012 although 98% will be considering relocating internationally in 2013.	<b>51%</b> of organisations in India experienced headcount growth in 2012, of which 27% hired 1 additional lawyer.
<b>31%</b> received a bonus level of between 10% and 19% of their basic salary.	<b>38%</b> work more than 51 hours per week, this is 8% higher than the global average.	<b>49%</b> of companies anticipate hiring between 1 and 5 additional employees over the next 12 months.
<b>51%</b> experienced an increase in bonus year on year which explains why 76% were satisfied with their bonus level.	<b>92%</b> feel secure in their current jobs.	<b>70%</b> indicated that sourcing talent with the right skills/experience was the biggest recruitment challenge in 2012.
<b>34%</b> took between 1 and 3 months to find their current job.	<b>34%</b> will be actively looking for a new role in 2013, with 48% stating they are open to being headhunted.	

With 38% of those working within law firms suggesting that they would consider a move in-house in 2013, it is important to note that this move could lead to a significant reduction in base salary. However, for those looking to move from one in-house role to another, salary increases are achievable and expected. As the competition for talent has increased across Asia and other key regions, remuneration has risen in India as companies contest to entice key hires and retain staff.

Lawyers with niche experience are well placed to find new opportunities and demand competitive remuneration packages as they are in short supply. Counter offers are also not uncommon as organisations remain focused on cost management and the need to avoid rehiring costs.

With 65% anticipating some level of headcount growth in 2013 (an increase of 10% on 2012 figures) the market appears to be improving. Candidates will need to manage their remuneration expectations as 41% of respondents indicated they would be

looking for an uplift in salary of 31% or more when considering a new role. This is unlikely to be realised in every case. Considering 72% of lawyers in India feel optimistic about the future of the economy, a dramatic contrast to the 32% of lawyers globally who feel the same way, India is perhaps an attractive market for lawyers to consider when looking for their next opportunity.



Chicago

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New York

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73° 59' 26" W

# North America



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## IN-HOUSE

The legal recruitment market has ebbed and flowed throughout 2012 with most recruitment activity taking place at the senior level.

While there is certainly a return to growth and profitability in many sectors (namely manufacturing and retail) caution remains, particularly due to the Eurozone crisis and the 2012 presidential election in the United States. As a result of this caution, recruitment processes have become lengthier and there is generally a lower level of movement in the market, particularly within the technology sector. For those working in healthcare, there seems

to be more of a clear direction since the permanence of Obamacare has become a reality.

Streamlining legal departments' processes as well as cost cutting has been a priority for all organisations and as a result has led to corporations looking to handle legal work in-house by exploiting their existing resources rather than outsourcing these requirements. As such any new roles that have been recruited have tended to have a greater breadth of responsibility with lawyers having to accept the increase in workload. Some

organisations have looked further afield to bolster their growth, making lawyers with international experience, market acumen and cultural sensitivity particularly marketable. Interestingly, 79% of lawyers in the US would consider relocating internationally which is perhaps a sign of the times.

Compliance continues to grow in importance and plays a vital role in most organisations both locally and internationally, with 57% of respondents indicating that the compliance function within their business forms part of the legal

## In-house | US

Post-Bar Admission Experience	Median Salary Range
0-1	\$105,000 - 127,000
2-3	\$115,000 - 143,000
4-5	\$142,000 - 160,000
6-7	\$159,000 - 183,000
8-9	\$176,000 - 248,000
10-11	\$223,000+

The highest level of bonuses received came from those working within financial services with 26% stating that they received more than 100% of their basic salary as a bonus.


team and 62% preferring to source compliance professionals from a legal background. Lawyers with regulatory experience will remain in demand, particularly those with experience navigating the highly regulated pharmaceutical industry.

During 2012 there was a greater demand for candidates with litigation, employment and other controversy-based experience, although these positions were still fairly few and far between in comparison to more transactional and commercially-oriented roles.

Remuneration levels changed dramatically in 2012 and although 56% of lawyers in the US indicated that they received a bonus in 2012, bonuses linked to company performance have been more carefully scrutinised by candidates and the track record for bonus payouts has been given more weight than in the past. This is likely to continue into 2013, particularly within publicly traded companies where salaries at the executive level will need to be moderated. As confidence returns to the economy, employers will be under pressure to evaluate compensation metrics,

particularly as the competition for highly qualified lawyers increases and organisations face the possibility of counter offers and multiple offers.

Depending on the performance of the global economy, 2013 should see the legal recruitment space shift from sporadic replacement hires to more strategic organisational growth, however it is unlikely that recruitment levels will return to that of the past.



## NORTH AMERICA KEY FINDINGS

<p><b>26%</b></p> <p>of those working within financial services and 28% of those working within commerce and industry in the US will be expecting an increase in salary of between 16% and 20% when considering a new role.</p>	<p><b>29%</b></p> <p>of those within commerce and industry received a bonus of between 20% and 29% of their basic salary.</p>	<p><b>32%</b></p> <p>will not be looking to move jobs in 2013.</p>
<p><b>56%</b></p> <p>received a bonus in 2012. The highest level of bonuses received came from those working within financial services with 26% stating that they received more than 100% of their basic salary as a bonus.</p>	<p><b>50%</b></p> <p>stated that their bonus remained at the same level year on year.</p>	<p><b>79%</b></p> <p>would consider relocating abroad for a suitable opportunity.</p>
<p><b>64%</b></p> <p>were satisfied with their bonus.</p>	<p><b>20%</b></p> <p>have been in their same role for between 5 and 10 years.</p>	<p><b>45%</b></p> <p>saw headcount growth in 2013.</p>
<p><b>62%</b></p> <p>prefer to source compliance professionals from a legal background.</p>	<p><b>57%</b></p> <p>indicated that the compliance function within their business forms part of the legal department.</p>	<p><b>62%</b></p> <p>prefer to source compliance professionals from a legal background.</p>

## LAW FIRMS

As a whole, the U.S. market on the law firm side continues to steadily improve, with certain cities and regions experiencing more activity than others. Laurence Simons expanded with a new physical office in Chicago and found that in that market, in particular, it was a very active year.

A number of key trends emerged in 2012, including considerable growth in areas requiring regulatory and transactional experience — such as compliance and healthcare.

There was also a significant demand for patent attorneys with an undergraduate (or graduate) degree in electrical engineering (EE). While, in certain instances, firms have been willing to consider attorneys with degrees in computer engineering or computer science, the greatest demand remains in the EE sector. This need spans both patent prosecution and patent litigation, with a slight favouring of litigators by the Big Firms.

We also saw an increase in IP transactional/technology-focused work, whether hiring as part of corporate deal support or due to an increased focus by firm clients on outsourcing, licensing, and/or strengthening their intellectual property practices.

Despite a high demand in 2011 for attorneys with experience in labour and employment law, this trend subsided in 2012. The demand for litigation attorneys also dropped in 2012 even though there remain a disproportionately high number of attorneys with this focus in the market.

## Law Firms | US

Post-Bar Admission Experience	Median Salary Range
0-1	\$80,000 - 160,000
2-3	\$85,000 - 180,000
4-5	\$90,000 - 210,000
6-7	\$100,000 - 230,000
8-9	\$110,000 - 250,000
10-11	\$125,000+
12-13	\$140,000+
14+	\$150,000+
Salaried Partner	\$150,000+

# North America

As expected, the demand for corporate associates was steady, with many firms hiring during the first half of 2012. This desire tapered towards the end of the year as law firms shifted their focus away from hiring and toward deal closure at year end.

In addition, 2012 proved, once again, that "out of the way" markets are sometimes the best activity-generators in terms of hiring. Cities such as Cleveland, Boston, Phoenix, Milwaukee, Indianapolis and Minneapolis continue to have buoyant legal markets. However, the main challenge within these regions is attracting highly-qualified candidates as many attorneys are reluctant to relocate unless they have an association with the area, sometimes making it difficult for law firms to fill open positions. These cities, however, are hidden gems due to their strong legal practices, excellent school systems, relatively low cost of living and strong communities. Attorneys from the larger cities in the United States and abroad who are looking for a friendly, liveable city and continued exposure to sophisticated legal matters would be well placed to look at these regions when considering a new role.

Do the major cities continue to attract candidates? Yes. New York, Chicago, Washington, D.C. and parts of California, in particular were very active this year in terms of law firm hiring. Of these cities, Chicago seemed the most active of the major metropolitan legal communities, and candidates flocked to the area in 2012, resulting in a strong supply of attorneys across the region.

Across the board we continue to see significant activity in most major cities with a corresponding increase in the competition pool therein.

As for compensation, we are still seeing a mix of lockstep and merit-based systems. Mid and Large sized firms, in previous years, have started to move away from the traditional "lockstep" compensation structure to a more merit-based system designed to reward the high performers. This resulted in limited changes in compensation in 2012 as most of the variation happened in prior years.

On the whole, however, compensation for both associate and partner-level attorneys in the U.S. varies wildly, depending on the size of the city in which the attorney practices, the size of the law firm and levels of business generation (for partners). This trend will continue in 2013. Pre-economic crash, we certainly saw more of an even-keel nature to compensation levels; however, post-crash, firms are doing what is best for them to remain financially sound. Thus, we are seeing more variance amongst compensations, and we expect that to continue through 2013.

In sum, if we can use 2012 as a benchmark, 2013 should be a very positive year for legal recruitment in the Northeast, Midwest/Rocky Mountain, and West Coast regions of the United States.

32%

of those working in law firms in the US will be expecting an increase in salary of between 5% and 10% when moving to a new role in 2013.

35%

of those working in law firms will be looking to move In-house in 2013.





São Paulo  
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# Brazil



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## OVERVIEW

Overall, the Brazilian economy performed extremely well in 2012 in comparison to Europe and the US. Due to the continuous flow of foreign investment into the country, there has been a strong shift in the legal recruitment market, especially in-house, as legal departments in Brazil have become more strategically positioned. Implementing strategies whereby legal departments outsource less to law firms and handle more work using their own in-house teams has benefitted multinationals not only from a cost cutting perspective but also due to the fact that their attorneys know their business much better than any external firm would.

During 2012, 49% of Brazilian legal departments experienced an increase in headcount and a similar proportion (46%) expect a comparable level of growth in 2013, with most anticipating hiring between one and five lawyers. Due to this growth, there has been a noticeable increase in the number of multinationals looking to secure experienced general counsel and/or legal managers to head up their internal legal departments.

Compliance remains a key focus across Brazil with 50% incorporating the compliance function as part of their legal division and 35% stating it is a standalone role within the business. 75% confirmed that they prefer to source their compliance staff from a legal background although only 61% currently had a compliance professional with legal experience.

Despite the increased reliance on in-house legal departments, the private practice market also performed well during the course of 2012. Areas such as insurance and reinsurance, project finance, M&A, tax and competition law flourished, while law firms showed less interest in developing the capital markets space. There was a notable increase in the number of law firms hiring tax professionals as well as those with strong backgrounds in M&A transactions and corporate law.

The competition for talent has created a ruthless culture when it comes to remuneration, with many firms, particularly foreign organisations with strong global financial backing, offering exaggerated salaries to secure talent. This has resulted in many local firms having to meet, if not exceed, these salary levels to compete. Naturally this has had a knock-on effect on in-house salaries. For those considering a new role in 2013, 19% of lawyers will be expecting an increase in salary of over 31%.

As a result of the inflated salary levels, there has been an increase in the number of legal professionals willing to relocate to Brazil. However, this is not always an easy move to make due to the regulations enforced and the strong need for business level fluency in Portuguese, coupled with the requirement for knowledge of the Brazilian legal market and Brazilian culture.

The outlook for 2013 remains promising with 65% feeling optimistic about the future of the economy in Brazil; this is a dramatic contrast to the 32% globally who feel the same way. In preparation for the 2014 Football World Cup and the 2016 Olympic Games, the legal market should continue to experience high levels of activity. In both the private practice and in-house legal markets, the competition for talent will remain fierce and remuneration levels are likely to continue to rise due to the market being candidate driven. Industries such as pharmaceutical, construction, IT and energy are anticipated to see significant growth during the course of the year.

## In-house | São Paulo

PQE	Median Salary Range*
Junior	BRL 42,990 - 68,000
Mid-level	BRL 68,900 - 120,000
Senior	BRL 133,000 - 230,000
Manager	BRL 190,000 - 447,000
General Counsel	BRL 306,000+

\*Gross amounts include bonus.

## Private Practice | São Paulo

PQE	Median Salary Range*
0-2	BRL 52,000 - 70,000
3-5	BRL 68,000 - 94,000
6-8	BRL 95,000 - 125,000
9-11	BRL 115,000 - 147,000
12-15	BRL 140,000 - 185,000
Junior Partner	BRL 180,000 - 350,000
Senior Partner	BRL 350,000+

\*Net amounts include bonus.



### BRAZIL KEY FINDINGS

**63%**

received a bonus in 2012. Of those who received a bonus, 19% received more than 100% of their basic salary.

**21%**

received a bonus of between 20% and 29% of their basic salary.

**48%**

saw no change in the level of their bonus and 32% received an increase in bonus year on year.

**46%**

were dissatisfied with the level of their bonus in 2012.

**41%**

stated the reason they left their previous position was because they could earn a higher salary elsewhere.

**29%**

will be looking for a new role in 2013, although 52% would consider an opportunity if the right role presented itself.

**94%**

of lawyers in Brazil would consider relocating internationally for the right role.

# Acknowledgements & Disclaimer

## ACKNOWLEDGEMENTS

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We would like to extend our appreciation to all those who completed this survey and have made this market report possible. If you didn't participate, please do so next year to ensure that we can continue to develop the depth and quality of this report and continue to provide you with a fair and balanced picture.

This market report only ever intended to give a very general overview on the changing nature and complexity of the employment market for lawyers and can serve as a useful guide. However, if you require a more tailored and confidential discussion on how this will affect your business, legal department or indeed your own career, please do not hesitate to get in touch.



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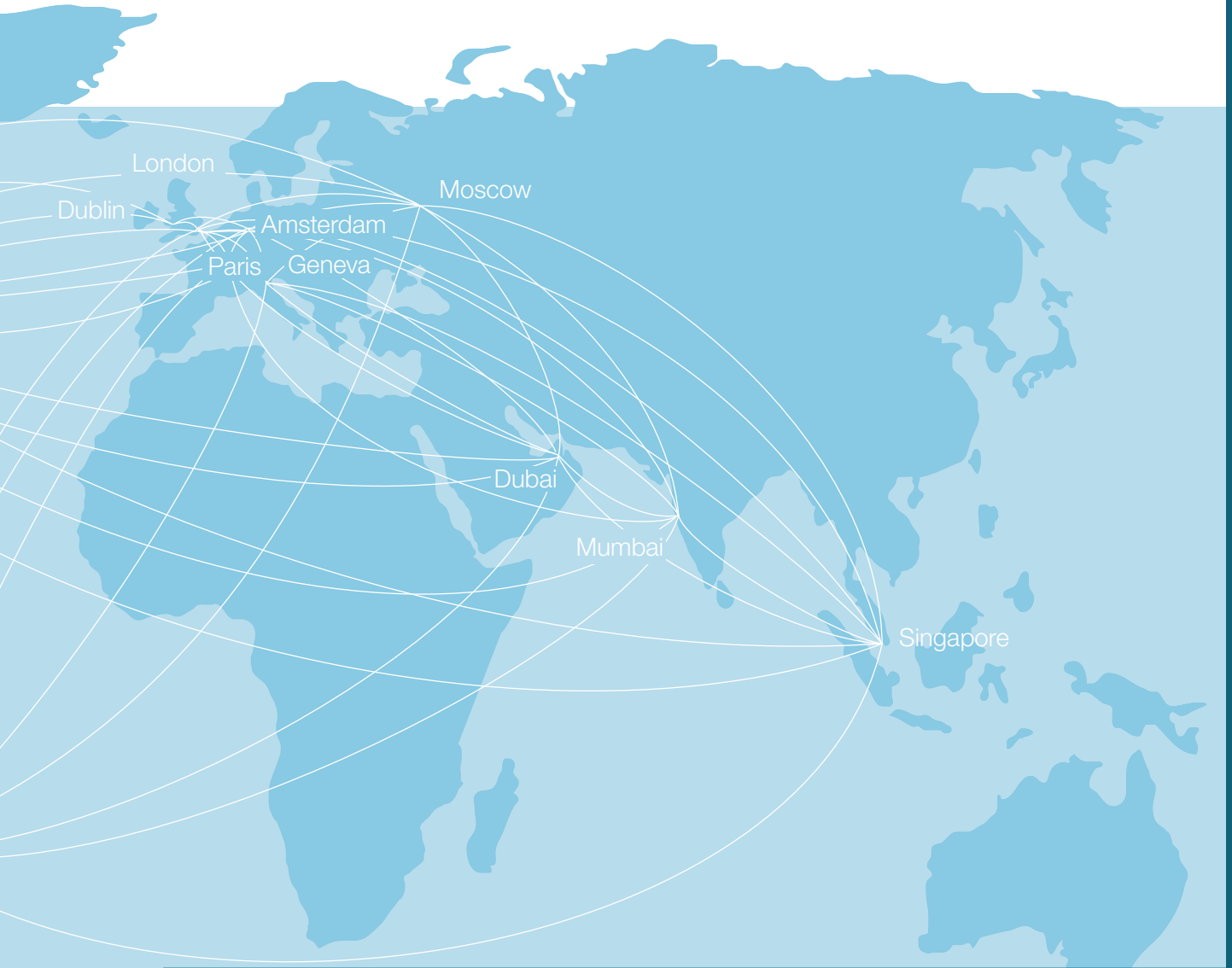
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