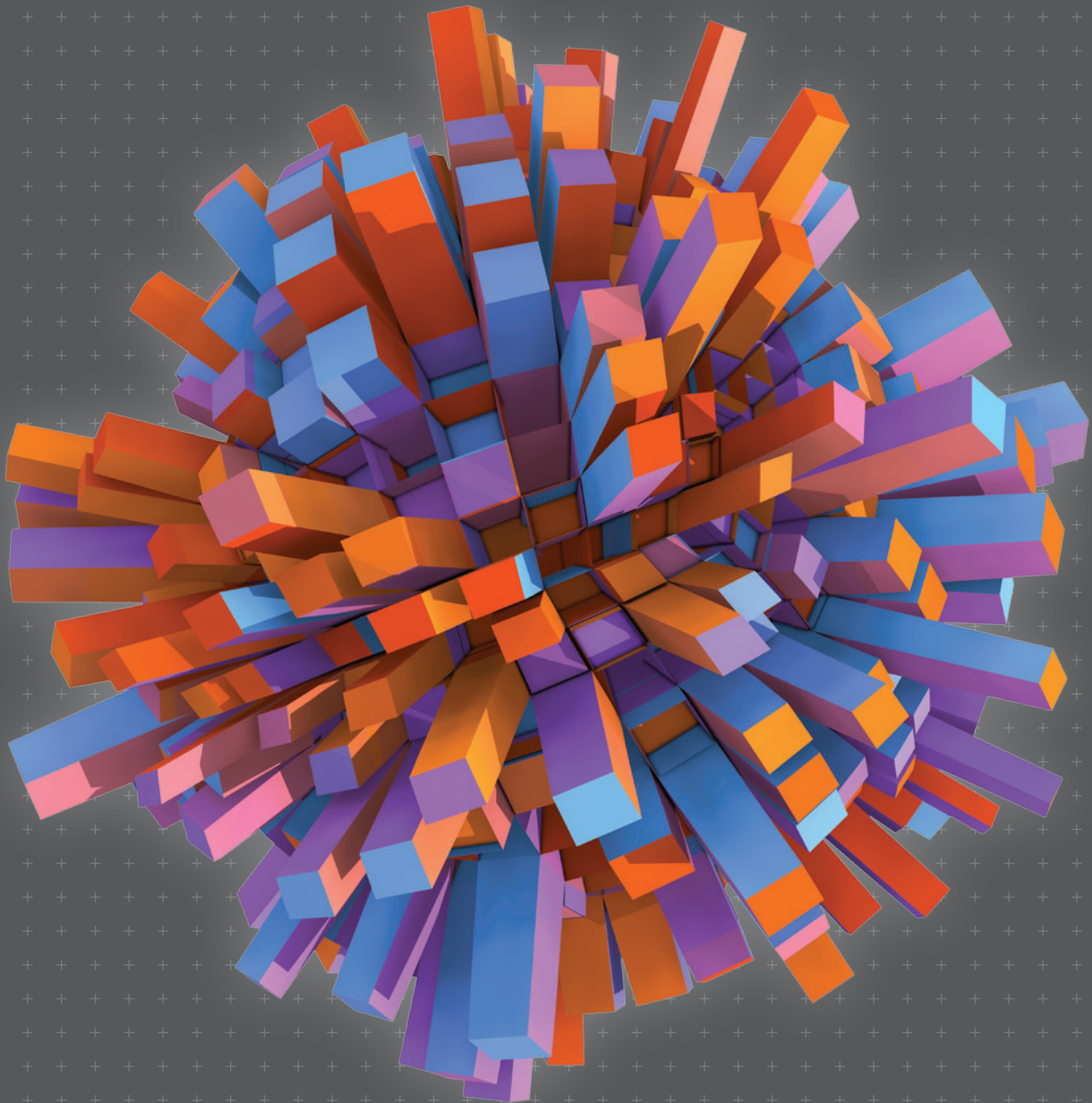




douglas
scott
legal recruitment



2015 Salary
& Benefits
Benchmarker

Understanding the legal
recruitment landscape

pinpoint positioning™

2015 Salary & Benefits Benchmarker

Understanding the legal recruitment landscape

Introduction

We are delighted to present the 2015 Annual Salary and Benefits Benchmarker. This year we have crunched through £166million of salary data to produce our best ever publication. Thanks to everyone who responded to our survey, our clients who instructed us on 4,196 jobs in 2014 and the 5,430 new candidates who subsequently registered with us.

About us

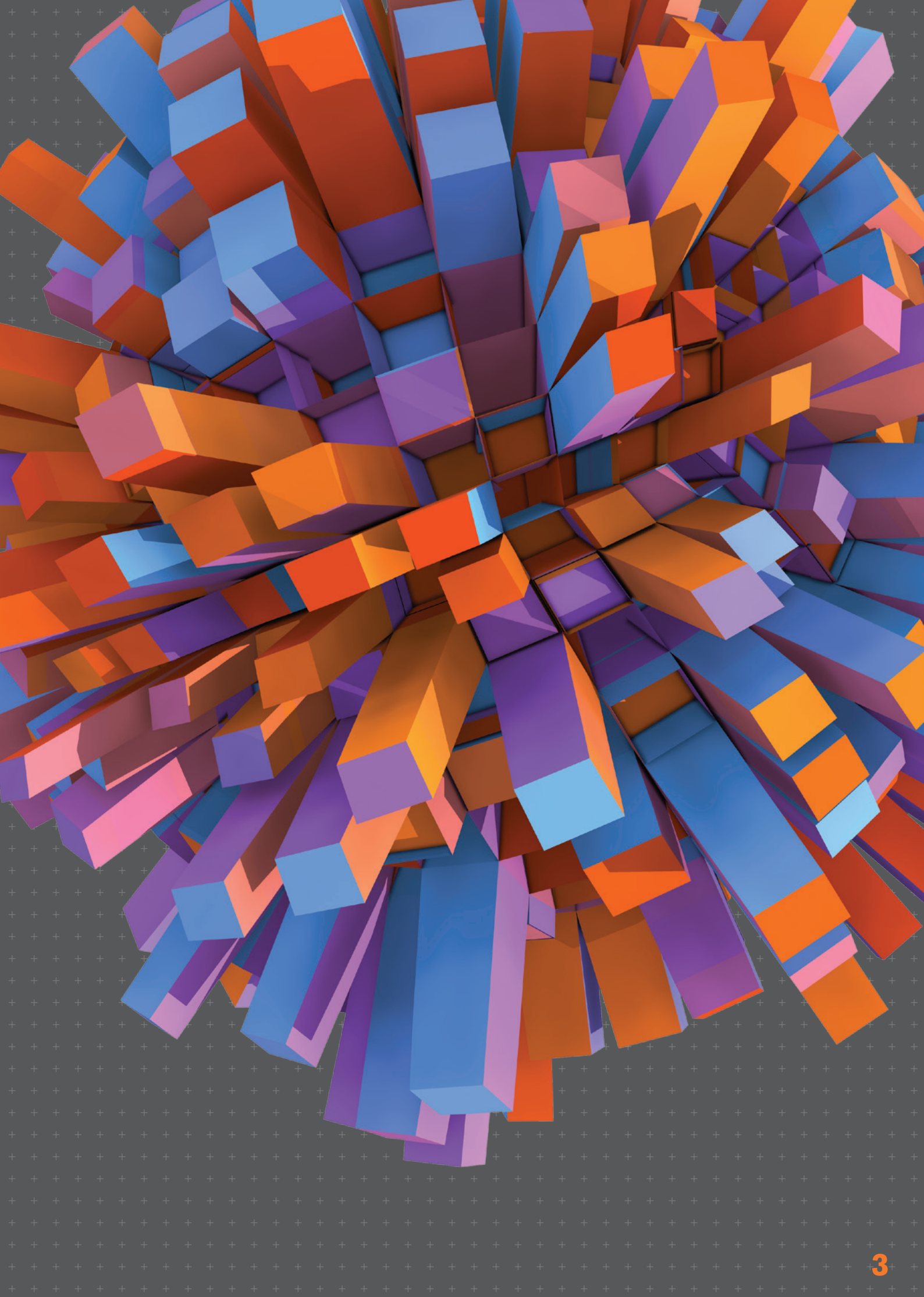
Douglas Scott are award winning legal recruitment experts with a network of connections spanning local, regional and international law firms and in house legal departments.

We partner the HR professionals, practice managers, partners and business leaders who are accountable for hiring legal talent into their business or department. And we act for legal professionals of all levels making lateral moves or looking to taking steps up the ladder.

Our business – put simply – is to remove the pain points hirers and candidates would otherwise experience on their recruitment journeys.

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And the happiest person in legal?



That's Tristan Sands. Cheshire based Tristan is a Personal Injury and Civil Litigation Solicitor with Wilmslow based, Top 200 UK firm Bott and Co.

The science:

We analysed factors such as job, salary and benefits package satisfaction as well as other triggers such as stickiness in their current role. We are delighted to say that Cheshire based Tristan scored highest.

And another happy person in legal?

That's Andrew Tobin, a Partner specialising in insurance, reinsurance, commercial litigation and arbitration at the London office of US law firm Cozen Connor. Andrew was the lucky survey respondent who took delivery of the iPad Air 2 just in time for Christmas.

Thanks again to everyone who took part in our survey.



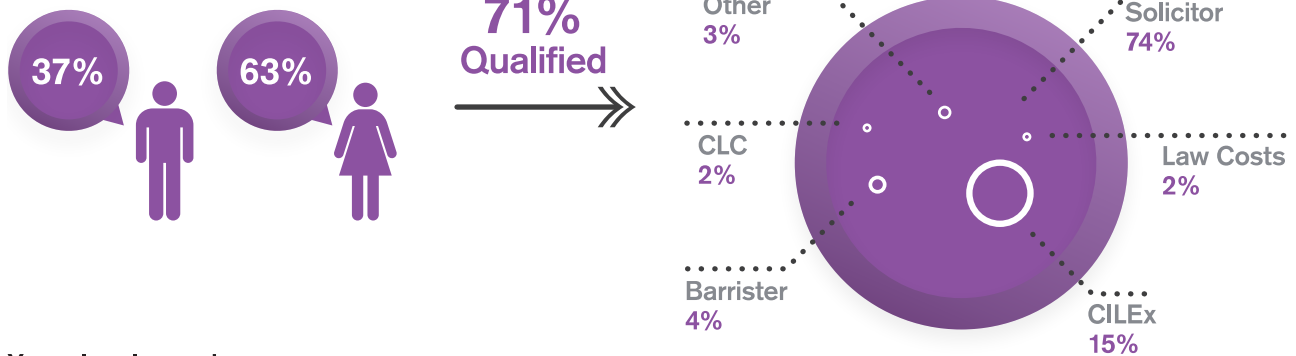
THE
HAPPIEST
PERSON
IN LEGAL
LIVES
HERE

Demographics of respondents

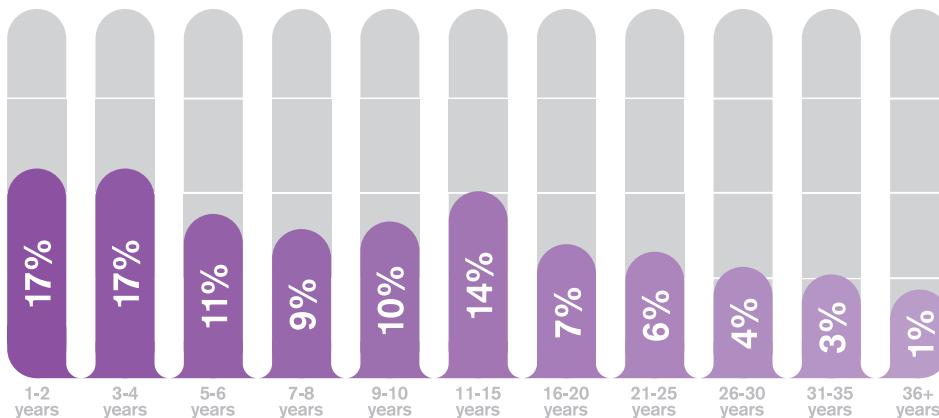
The number of female respondents completing our survey increased yet again this year – and indicates the increasing shift towards a female-dominated industry that we have seen in recent years. According to The Law Society, 62.4% of students accepted on to Law degree courses, and 61.5% of individuals offered training contracts in 2013 were female.

We also saw a steep rise in the number of International respondents this year compared to last which, as well as being testament to our reach as a company, also highlights that international legal careers are becoming increasingly more attractive for professionals from the UK. In fact, our survey reached all corners of the earth including Australia, Japan, Karachi, Malaysia and Uzbekistan!

Gender



Years legal experience

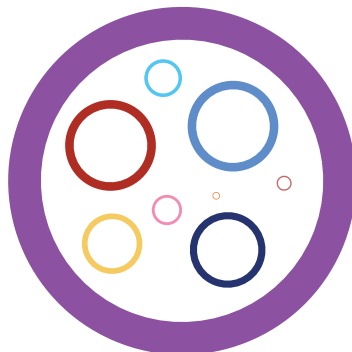


The legal landscape

In December 2014 there were 129,246 Practising Solicitors and approximately 7,500 CILEx Fellows. The most recent figures available from the Bar Council puts practicing Barristers' numbers at 15,500, and the CLC have recently confirmed the current number of licensed Conveyancers stands at 1,230. The Law Society estimates the number of paralegals working in England and Wales at over 300,000. According to the most recent Law Society report the share of Practice Certificate holders working in London has remained steady over the last 10 years. Over the same period proportions in the regions have waned but the share of PC holders working outside of England and Wales increased with numbers growing nearly 7 fold to 7,605.

Working environment

- 46% Regional & High St
- 12% Top 50
- 12% In House
- 10% Top 100
- 8% Top 200
- 5% Niche/Specialist
- 4% ABS
- 2% US or International
- 1% Other



Location

- 34% North West
- 28% South East
- 17% Midlands/South West
- 14% Yorkshire/North East
- 7% Rest of World



Sector health

At the end of 2014 there were 10,324 regulated law firms in England and Wales compared to 10,643 in December 2013. With 772 new firms opening in 2014 that's a net fall of 3% although SRA are playing a bit of catch up with November and December 2014 closure data. The seasonal carnage associated with PII renewal seems to have abated somewhat with the Law Society reporting that just 49 firms were either closed or in the process of closing this January. Add to that the fact that Chambers Student reported trainee retention rates of 80.8% marking a significant year on year increase and the highest rate recorded since 2008. However like most business sectors the fortunes of our legal services market is linked to health of the UK and global economies. So it's looking good but take an interest in the general election, keep an eye on the oil price, monitor the jobs figures from the US and tune in to the soap opera that is the Eurozone.

Lawyer2B Headline February 2015

“Linklaters reveals 91% retention, sustaining magic circle high”

Law Gazette Headline January 2015

“Big fall in firms not renewing PII”

Law Gazette Headline January 2015

“Accountant threat driving law firm merger interest”

Law Society Headline August 2014

“Legal services boost predicted for 2015”

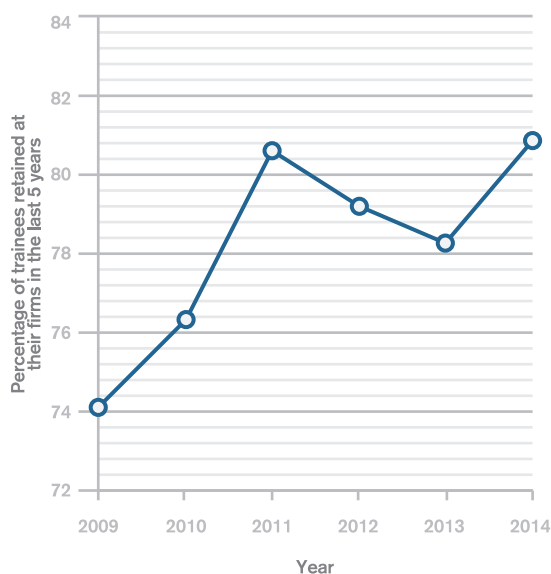


131134
Practising
Solicitors
December
2013

129246
Practising
Solicitors
December
2014

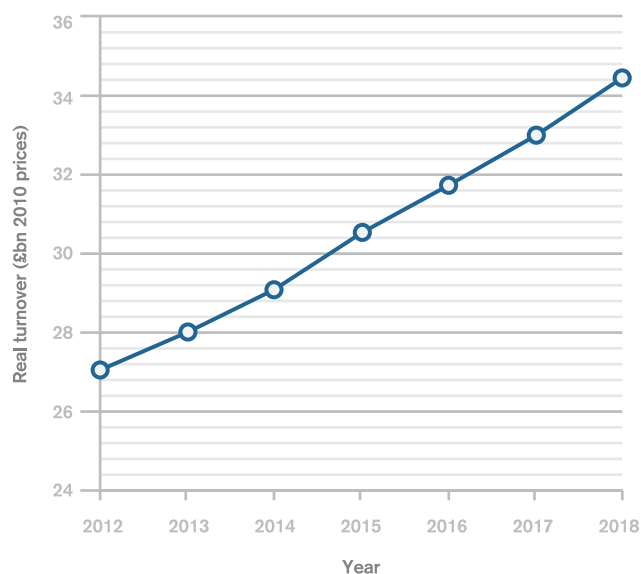
NQ retention in last 5 years

Source: Chambers Student



Legal services sector forecasts of real turnover

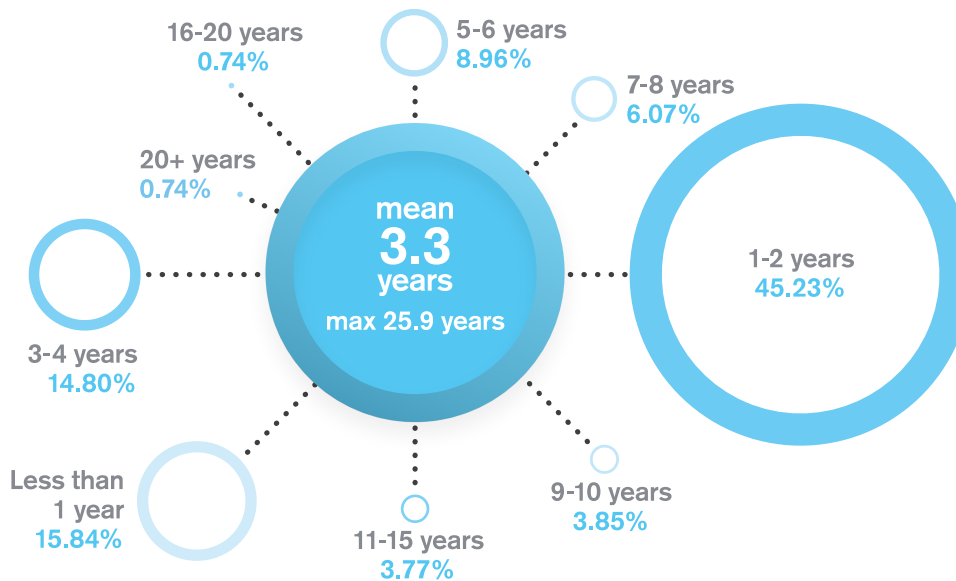
Source: Law Society (Aug 2014)



Career motivators

According to the Bureau of Labor Statistics in the US, the average time spent at a single company is 4.4 years, and whilst it's hard to pin down comparable figures for the UK, it seems like a good guide. Whilst still short of this average, legal professionals are staying in their roles circa 7 months longer compared to last year. The most ambitious employment environments were private sector in-house (31.91% chose 'progression' as the main reason behind a move), top 50 UK law firms (31.19%) and multi branch private practice (30.25%). Overall a legal career is more secure than last year with the % of those leaving due to job security or redundancy dropping from 17% to 15%. Niche or specialist legal environments were the least secure working environments with 22% moving through redundancy concerns. Top 200 UK firms were amongst the most secure – only 12% citing job security as a reason they moved jobs.

Time in current role



The 3 year itch

Law firms might have to turn on the charm in year 3 when the likelihood that legal professionals are considering a move peaks at 53%. 31% of respondents in their 1st year of their current employment were likely to switch jobs within 6 months. At 10 years the figure is a below average 35%.

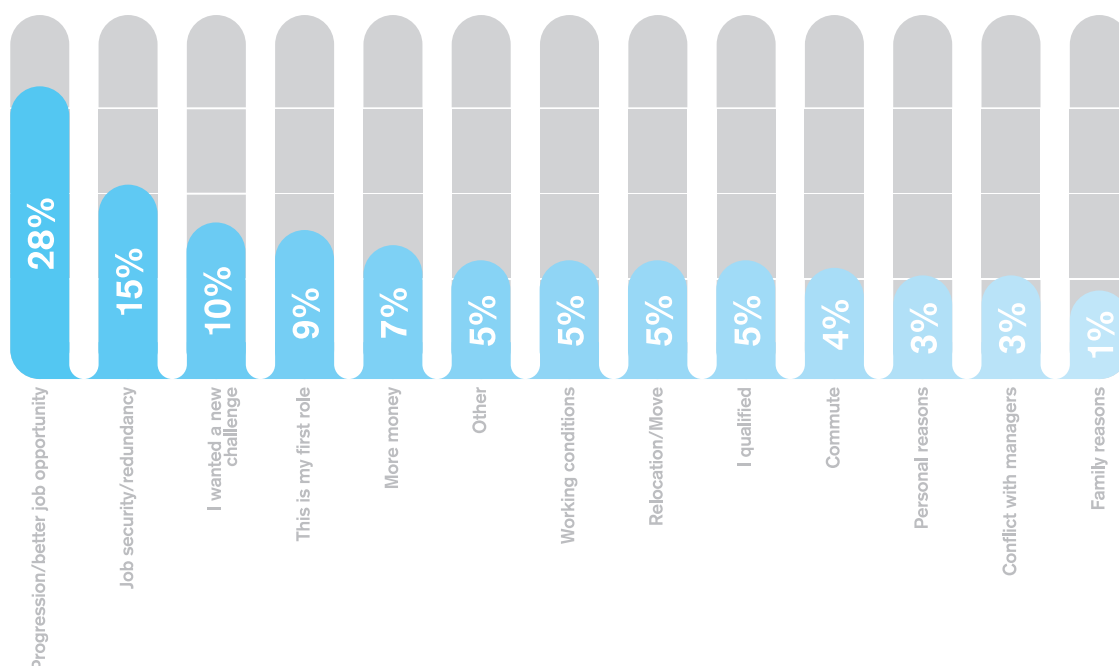
Sweet spot

The average age of legal professionals looking to move for reasons of progression peaks at 28 – nearly 9% of all respondents this age cited progression as their main motivator. At 30 the number of respondents falling into this category drops to 6% and at 35 it becomes 4%.

Up or out?

24% of legal professionals aged 46-50 who responded to our survey moved from their last role because of job security issues or actual redundancy issues. The next highest age group was the 60+ at 23% followed by 51-55 category at 21%. Conversely 6% of respondents aged 26-30 moved jobs for the same reasons.

Main reason for leaving last role

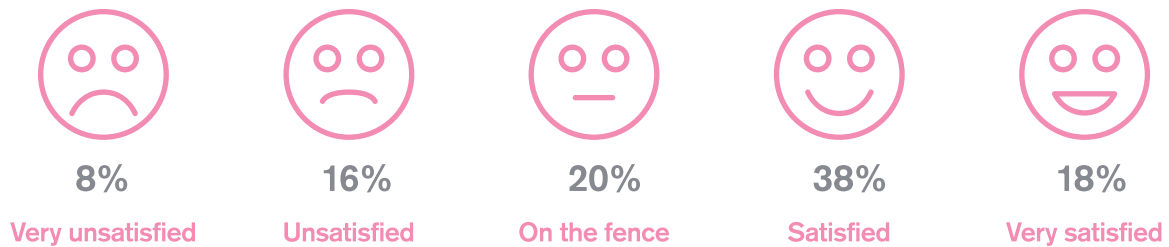


Job satisfaction

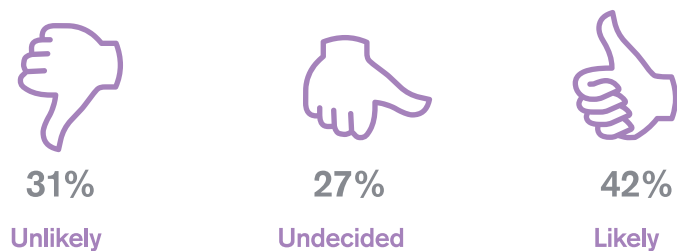
It seems our respondents are a much happier bunch in their roles compared to last year...20% happier in fact! Females are marginally more satisfied in their current positions compared to their male counterparts, with legal professionals based in the North East the happiest group overall.

As you would expect, there is a correlation between job satisfaction and likelihood of changing roles. 82% of legal professionals who were either unsatisfied or very unsatisfied at work were considering a move. 54% of respondents who were neither satisfied nor unsatisfied were also looking at opportunities.

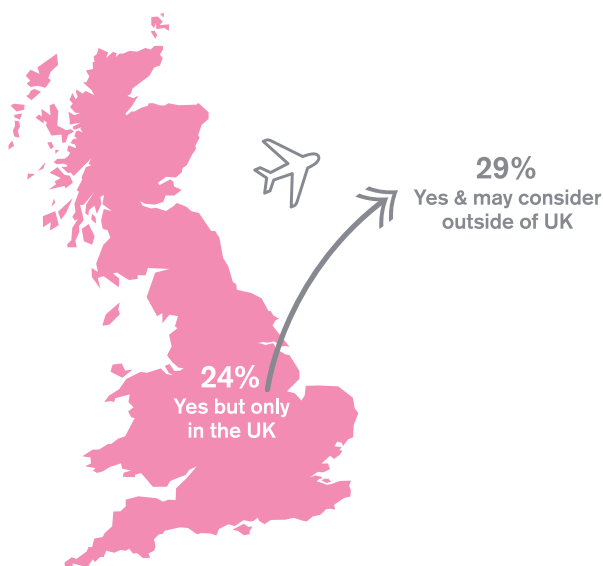
Job satisfaction



How likely are you to voluntarily change jobs in the next 6 months?



Would you consider relocation?



Enjoying your work

Legal professionals are a resilient lot. There were no significant deviations across practice areas when it comes to measurement of job satisfaction. For example 53% of Criminal Lawyers recorded that they were satisfied or very satisfied in their job, just a touch under the 56% across all respondents. In the high street 54% of legal professionals stated that they were satisfied or very satisfied at work. High Street and Criminal both came under significant pressure in 2014. Travel did not have an impact on job satisfaction either. Results were consistent through the longest and shortest of commutes.

However nearly 26% of those who stated they were very happy, also stated they were 'undecided' or 'likely' to look for a new role in the next 6 months. On the face of it at least, a happy workforce is not always an indication of loyalty and clear progression opportunities must be in place if employers want to keep hold of their talent

So what makes a sticky?

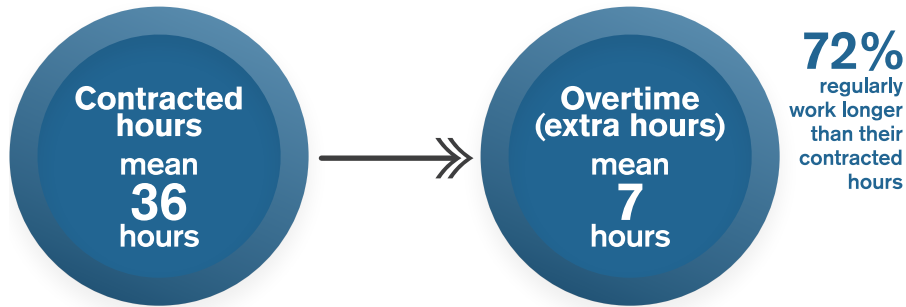
Well that's the million dollar question and there is no one size fits all but we suspect that support and challenge is going to form part of the answer. 66% of respondents who moved jobs for reasons of progression were now happy in their roles. 60% who moved for a new challenge were also content in their new jobs. Conversely only 50% of those legal professionals who cited money as the main reason for a move fell in to the same camp. We know that the 3rd year of a legal job is when the number of people considering a move peaks and that a move up the career ladder is the main reason legal professionals switch roles. If employers want to retain talent then this is the time they need to be providing opportunities for lawyers to expand their roles, learn new things and take on more responsibilities.

Working week & commute

Our data this year indicates more respondents than ever (12% more in fact) are burning the midnight oil and working longer than their contractual hours; with males still working more additional hours than their female counterparts (70.5% compared to 67.4%).

The working day is also that little bit longer due to the slight increase in commute times compared to last year. And, whilst still the most popular form of transport, marginally less respondents travel by car this year compared to the previous year (49%), opting instead for travel by train. In fact, a respondent with the longest commute overall travelled by train for over 2.5 hours each way. He is also extremely happy in his current role – once again indicating that people happy and settled in their role will travel.

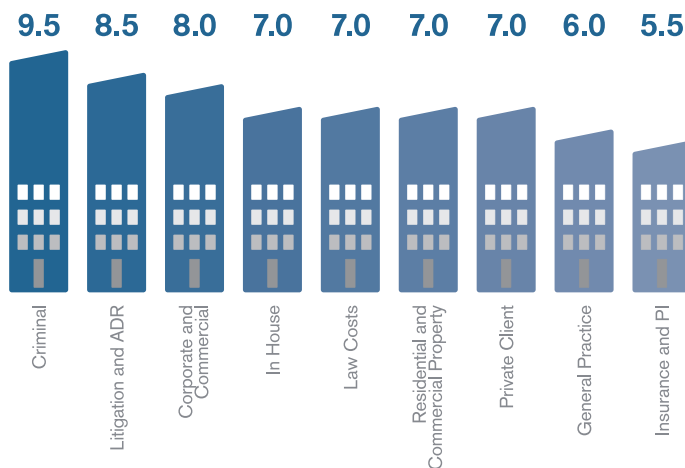
Working week



Energy savers

Although more legal professionals are burning the midnight oil the average hours worked has dropped pretty dramatically across practice areas. This time last year Criminal Lawyers were top of the league working 12 extra hours a week. This year that has dropped to 9.5 hours although some in Criminal Practice are logging up to 38 extra hours. Litigation and ADR moves up to number 2 with lawyers working 8 extra hours a week which 1 less than last year. Corporate/Commercial drops to third with 7.5 hours a whole 3.5 hours less than the previous year. Some legal professionals in Litigation and Corporate/Commercial were working up to 35 extra-contractual hours a week.

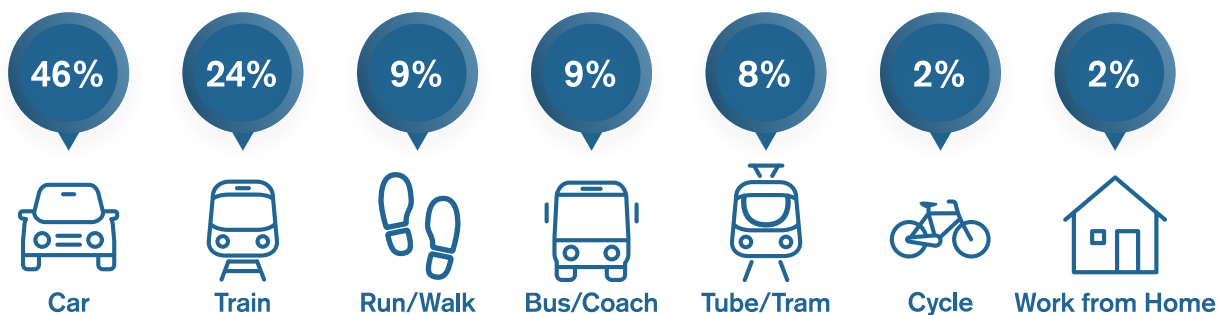
Average extra hours worked by practice area



Home workers most transient

61% of home based workers were likely to be changing jobs in the next 6 months. They were top of the tree followed by 54% of respondents who took the tube and then 46% of legal professionals who cycled to work. Least likely were those people who walked to work at a touch below average 39%.

How do you get to work?

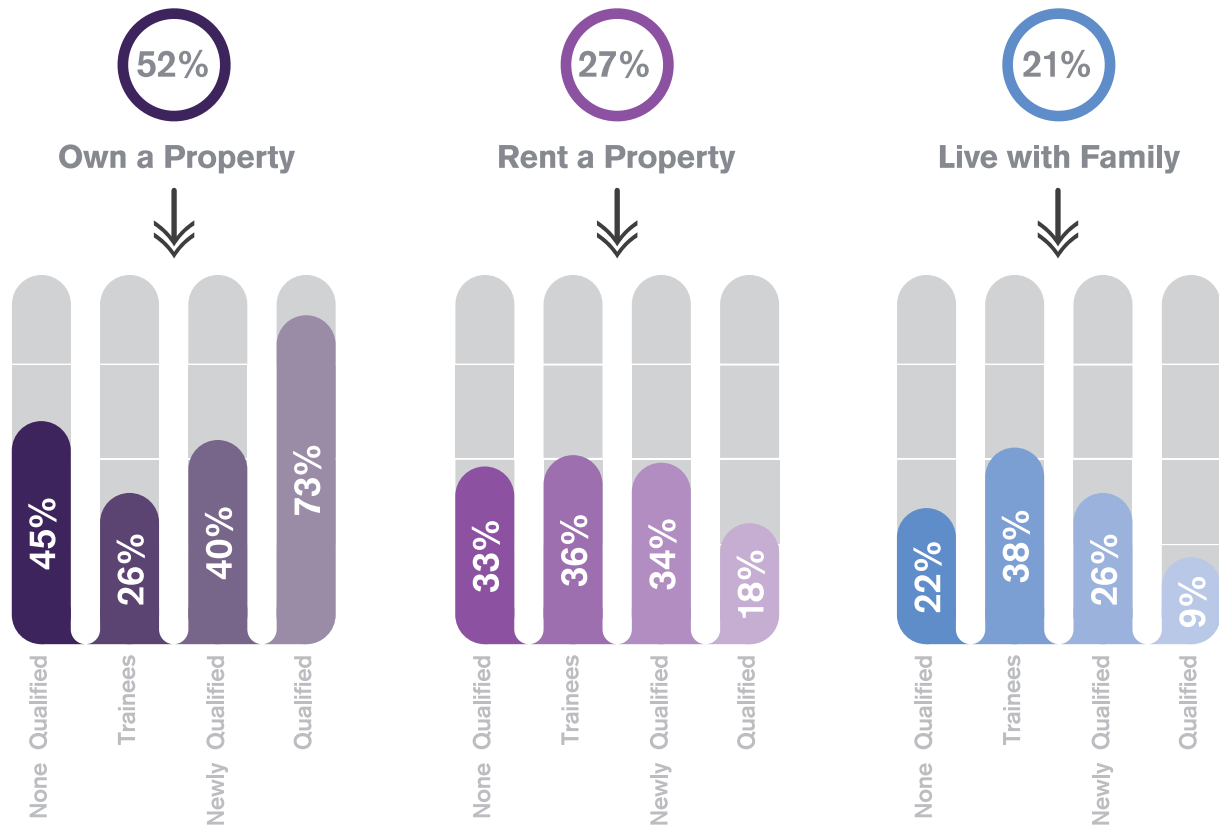


Property ownership

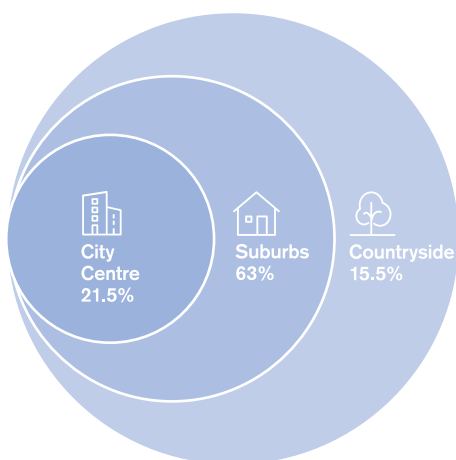
52% of all respondents owned a property, 27% rented and 21% lived with parents or family. According to the ONS 64% of homes were owner occupied at the time of the last census in March 2011. We have recorded more property ownership amongst legal professionals based in Scotland, the North East and the Home Counties compared to the rest of the country.

The age range for first-time buyers in the general population is between 25 and 36 years old – the average age for all respondents living with family is 27, whilst those who rent property is 32.

Where do you call home?



Where is that property based?



Qualification holds the keys

One question that lawyers can struggle with is "Would you encourage your children to take up a career in law?". Success is certainly subjective but if home ownership is an aspiration then going down the qualified route is going to bear fruit. 73% of qualified lawyers are owner/occupiers and 90% of Partners or Business Leaders. Legal HR is also hot with 72% of respondents owning properties.

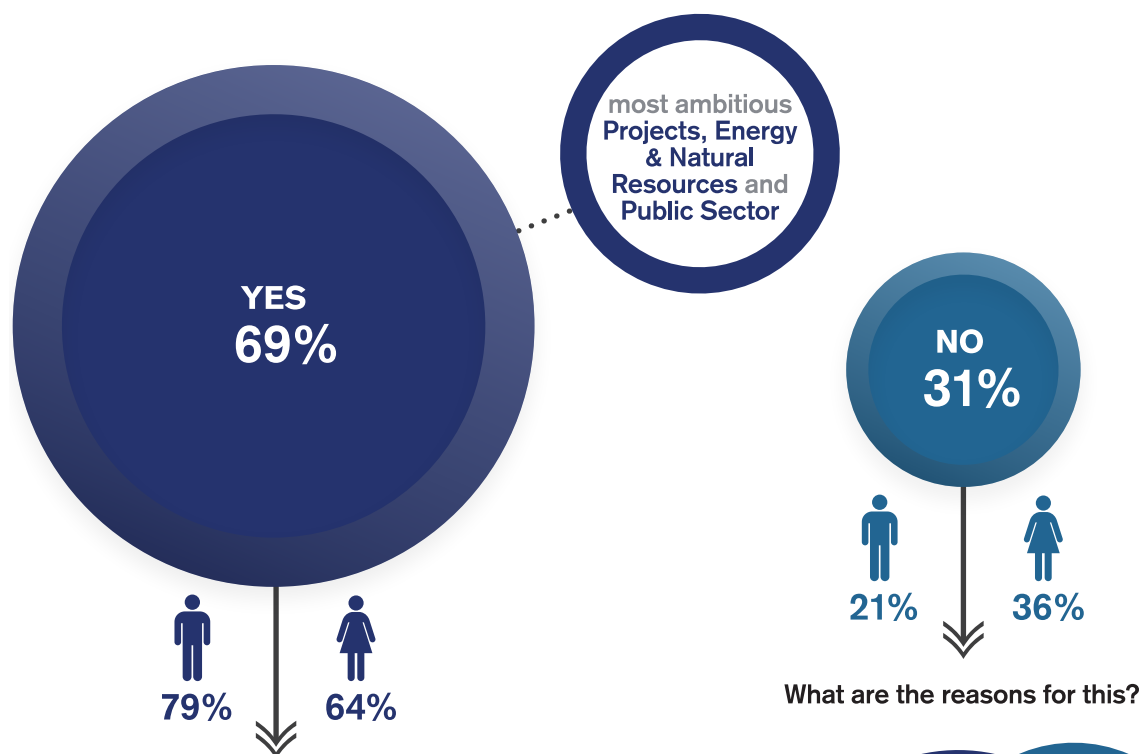
There is an equal distribution of male and female legal professionals living in the city, suburbs and the countryside. 31.5% of all London based respondents live in the city centre which was the highest percentage in England and Wales. The South West had the highest percentage of legal professionals living in the countryside at 26%. 47% of international respondents live in a city centre.

Career aspirations

Our respondents this year are an aspirational lot with over two-thirds striving to make Partner or Manager level in their careers. However, with over 40% conceding that this was unlikely to happen with their current employer, career progression (or lack thereof) once again remains a real factor in the decision to look elsewhere.

Work/life balance and the perceived additional stress were given as reasons not to rise through the ranks to such heights. Female respondents favoured 'lack of flexibility' in this category, whilst marginally more males than females cited 'lack of financial reward'.

Do you aspire to be a Partner, Manager or Business Leader in your career?



Do you think you will be able to progress to this level with your current employer?



Tomorrow's leaders

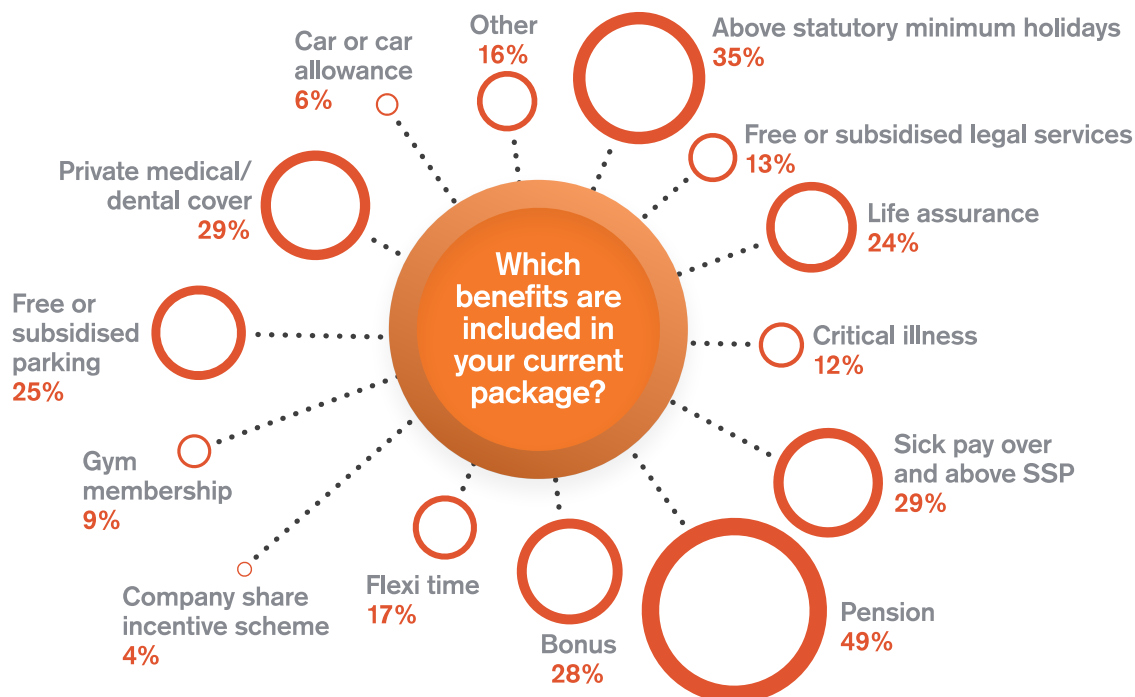
Although a top ranked 80% of in house lawyers had business leader aspirations only 24% felt as though they would achieve their ambition in their current working environment. 32% of respondents with partnership aspirations who worked in firms ranked 100-51 in the UK 200 felt they would achieve that with their current employer. 40% of all respondents who felt they would achieve their leadership ambition with their current employers did not know their firm's turnover.



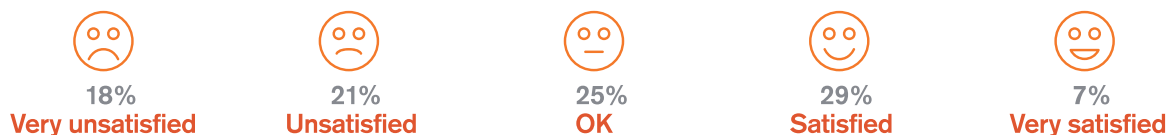
Benefits

Year on year, the benefits package offered to legal professionals has increased across all categories, with the biggest increase private medical/dental cover followed by life assurance. Not surprisingly, people are happier overall with their benefits package, however only 7% are 'very satisfied' indicating there is still room for improvement. 'Other' benefits offered by employers with a keen eye on staff retention included paid study allowance, cycle to work schemes, subsidised lunches, and leisure vouchers. According to the Legatum Institute's Wellbeing & Policy Report, 2014, many studies have found that workers view non-financial incentives, like praise from line managers and opportunities to do better work, as equally (or more) effective compared with cash bonuses, pay increases, or share options. However nearly a third of our respondents said they would like to receive a bonus above all other benefits, and 12% requested inclusion in a company share incentive scheme.

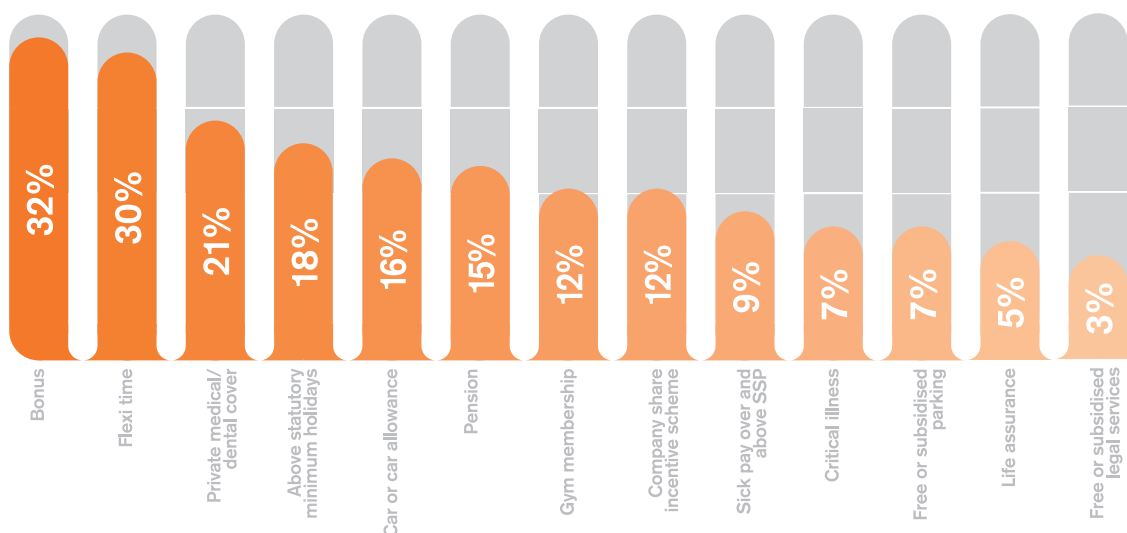
Benefits that are included in your current package?



How satisfied are you with your benefits package?



Given the choice, which two benefits would you most like to receive?

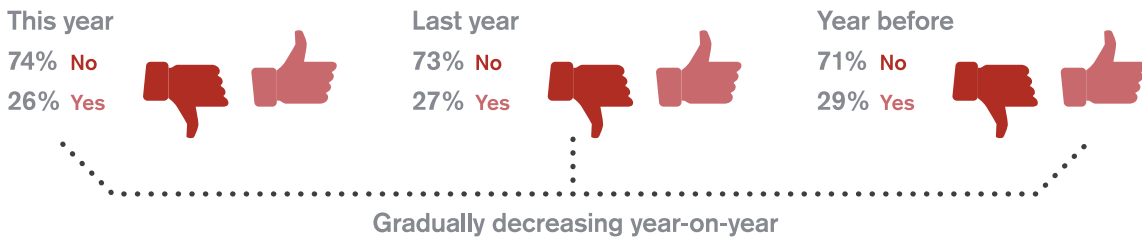


Bonus

Despite confidence in the economy continuing to soar, only 26% of respondents said they would receive a dividend, profit share or bonus for 2014. According to data from our previous surveys, this has gradually decreased year-on-year; a legacy of the recession perhaps? It is also evident that employers are looking for other, non-financial ways, to reward their staff – and on the whole it seems to be working as general satisfaction levels climb.

Of the lucky few that did receive a bonus, the average amount is nearly three times more than the previous year, with males once again more likely than their female colleagues to get a financial reward.

Have you or will you receive a bonus, profit share or dividend?



Amount of bonus varied as one would expect

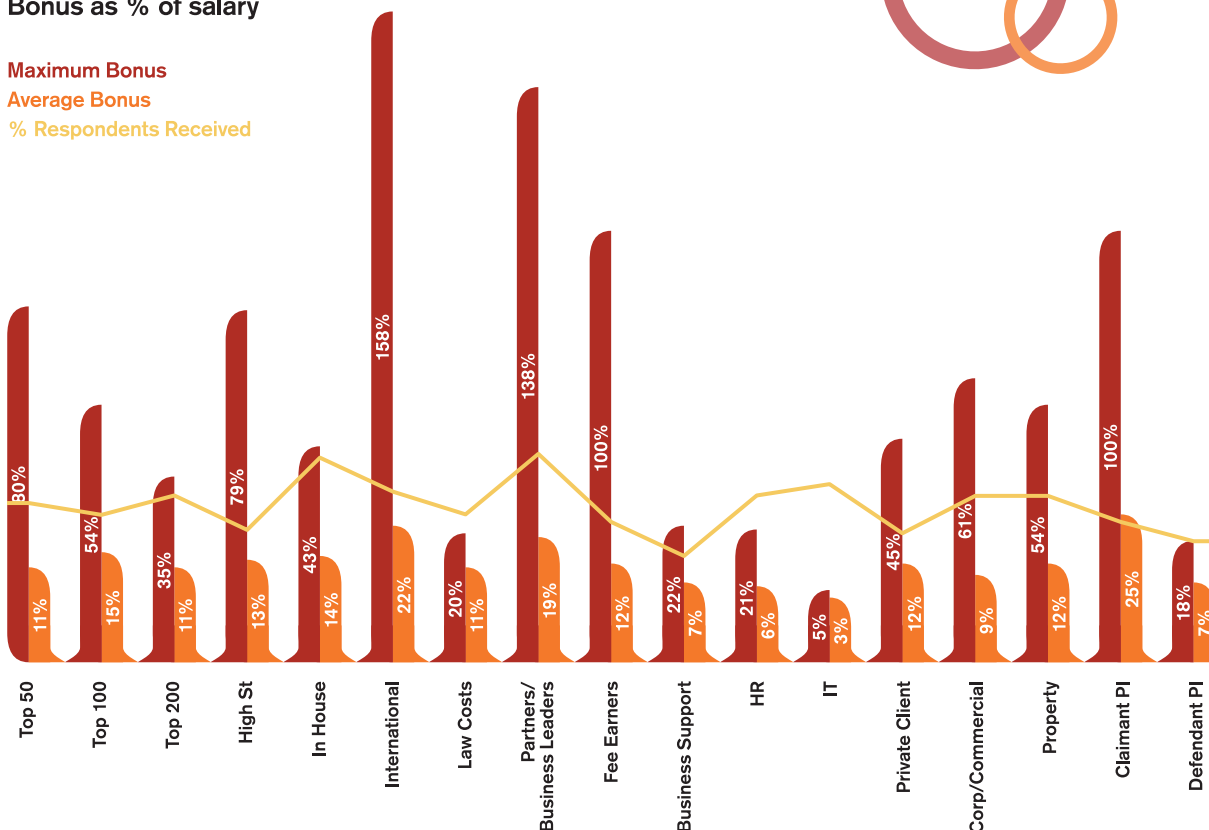


How it compared to your last one?



Bonus as % of salary

Maximum Bonus
Average Bonus
% Respondents Received



Salary satisfaction

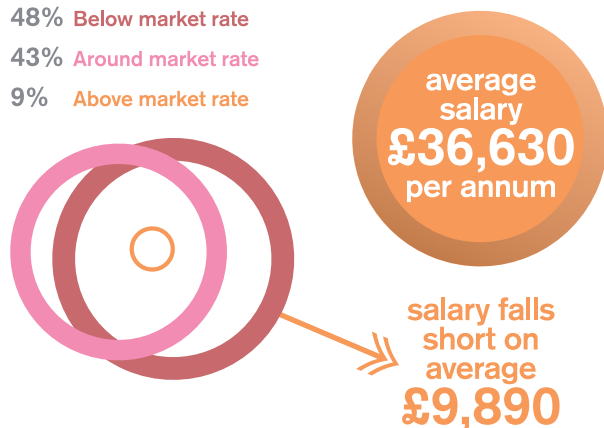
Salaries appear to have crept up on average over the past year, with comparatively more respondents saying that they felt their salary was around or above market rate. Proportionally more men (6% more) felt their salary was above market rate, whilst more women (5% more) felt their salary was below market rate. As you might expect, those that felt their salary was below market rate are 19% more likely to look for another role within 6 months than those who feel they get around market average – so if employers are not pitching salaries at the right level then they will face a struggle retaining staff.

How do you think your salary compares to the market?

48% Below market rate

43% Around market rate

9% Above market rate



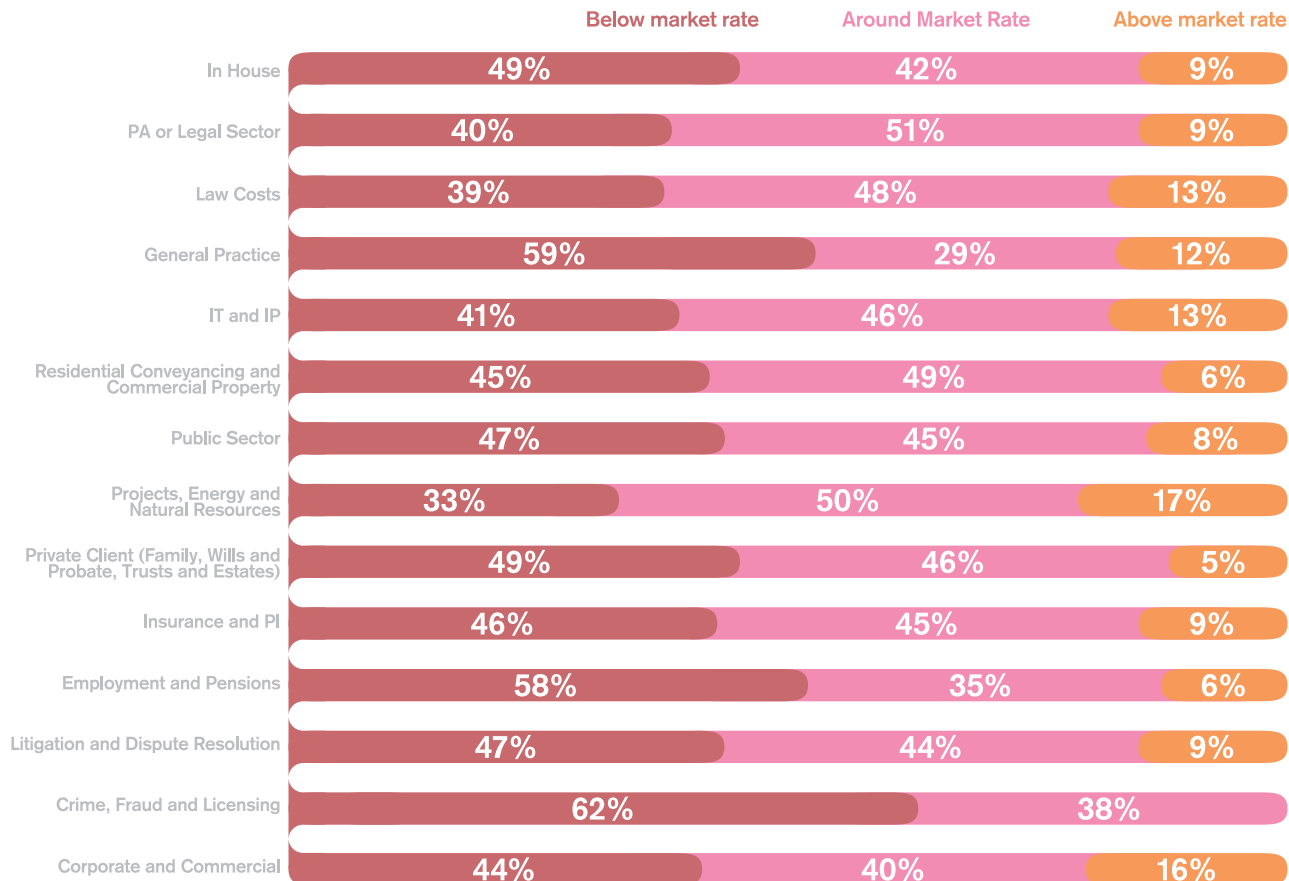
Super heroes

Criminal Law is a calling. With no perceivable dip in job satisfaction they are working the longest hours and when it comes to benchmarking their salaries against others in the profession they are calling it at either below or at market rate. This year nobody is getting overpaid for what they do – last year 21% felt as though their firm was paying over the odds. Only 9% got a bonus in 2014. Crime will not pay and there will be good days and bad days but many will argue that no other practice area brings the same level of personal satisfaction than Criminal.

Regional splits

Nearly 63% of all Welsh based legal professionals felt as though they were underpaid with the Home Counties next best at 57%. 11% of London and the same percentage of Yorkshire based lawyers believed they were paid above market rate. Bottom of the table was the Midlands where only 4% thought they were overpaid in their job.

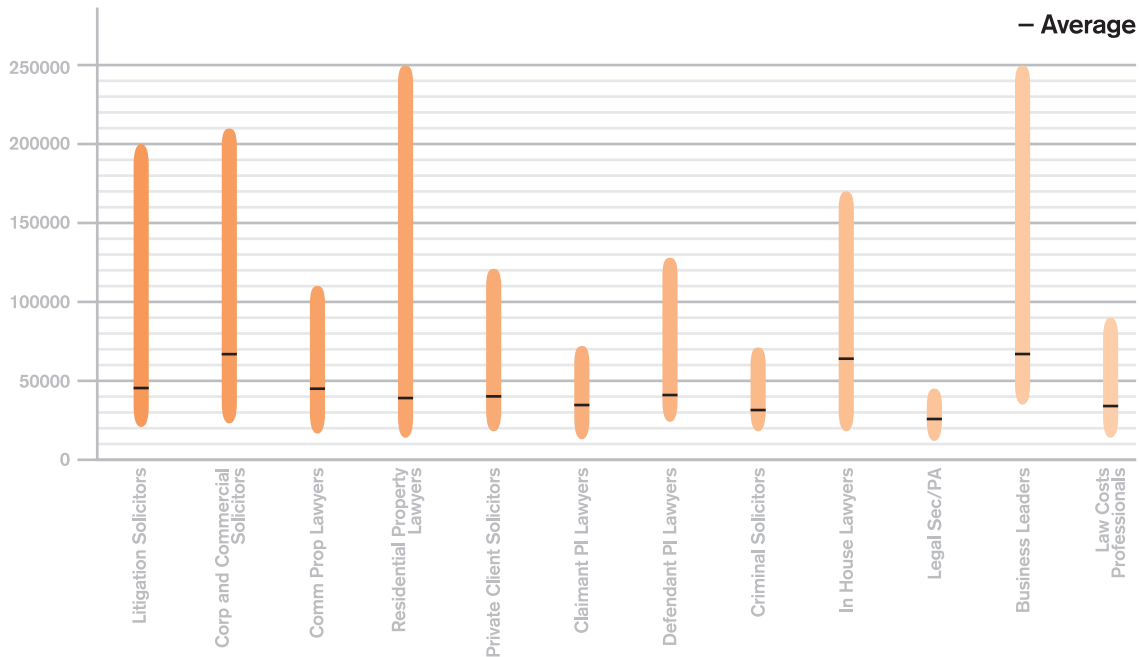
Salary benchmarking by Practice Area



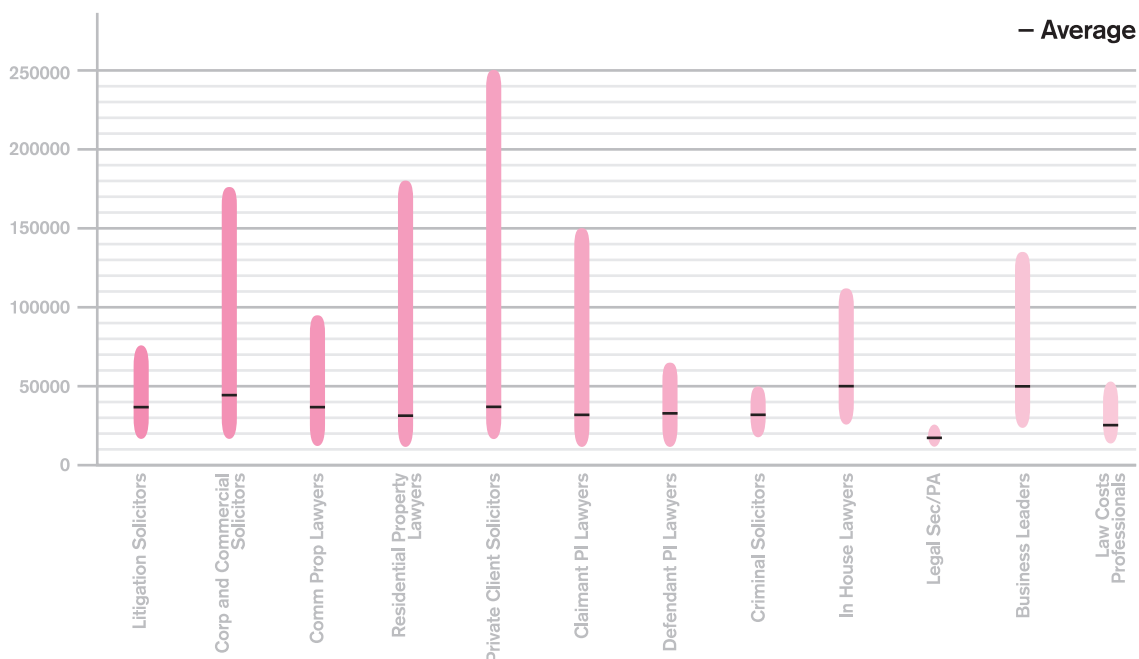
Salary indices

Movement in average salaries was pretty consistent across all regions and it is fair to say there were not many surprises. We recorded a slight fall in Criminal Law basics with £32k being the average in the South East and a couple of thousand covered all regions. Salaries in London and the South East remained static with 2 or 3 exceptions across the practice areas and job functions we covered this year. Average salaries in Corporate and Commercial practice areas were the biggest movers with the average basic salary now at £68,000. In-House salaries have also been on the move and whilst on average the salaries for Legal Secretaries and PAs has remained fairly static, some roles in the region are now attracting £40k plus...the highest we have seen. Corporate and Commercial salaries in the Midlands and South West salaries were also higher than the previous year. Private Client is paying more but Claimant and Defendant Insurance salaries were down.

London and South East – High Low Average Salaries



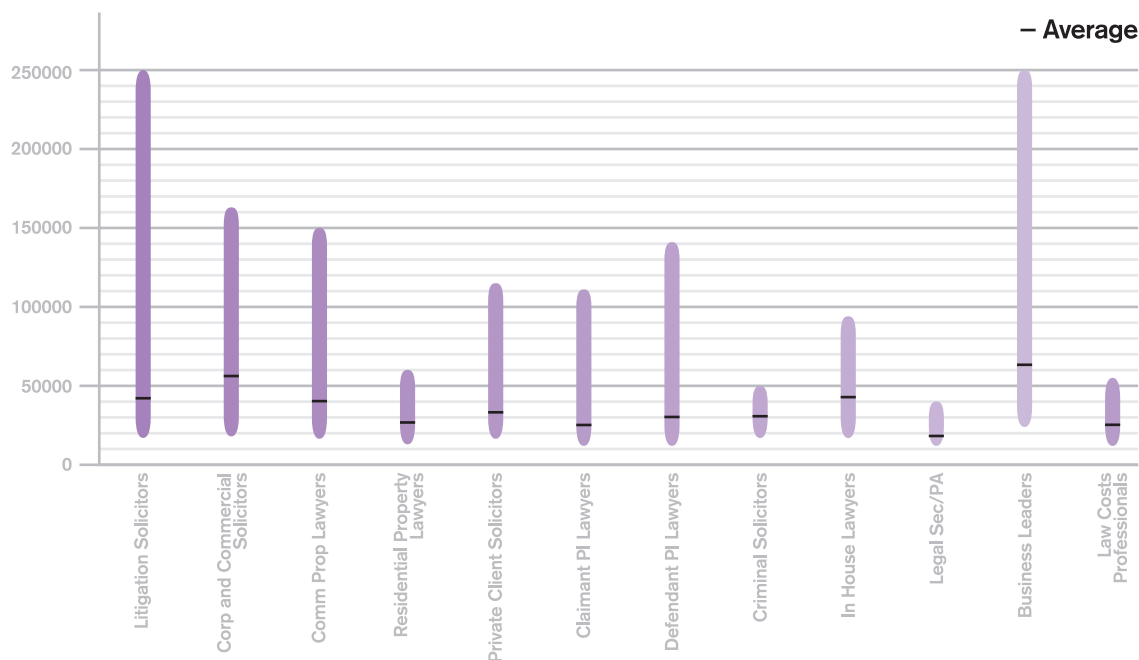
Midlands and South West – High Low Average Salaries



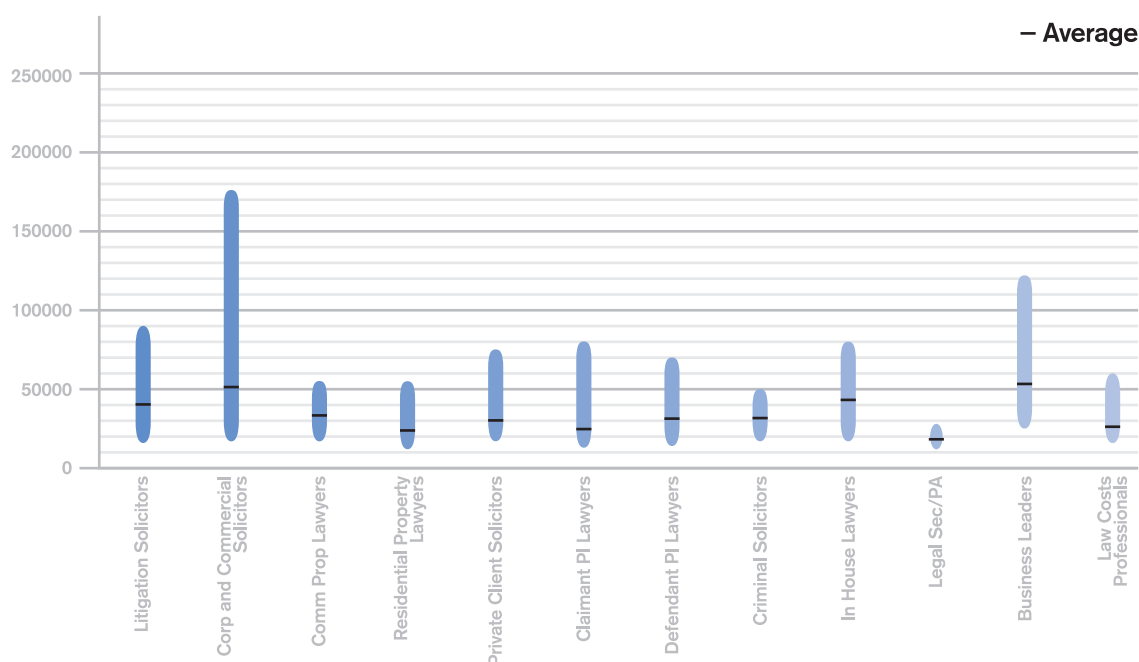
Salary indices

The war for PI and Insurance talent in the North West meant that the region bucked the trend seeing average claimant salaries remain steady at £31k and resulted in a slight increase in the average defendant lawyer salary to £32,500. PI and Insurance Salaries were down across all regions save in the North West – with evidence that employers are gravitating towards an overall more incentivised salary and benefits package. Most of the other sectors in the region remained there or thereabouts from an average salary perspective. And, similar to London, those working in Corporate and Commercial roles saw the highest climb of all with a whopping £15k added to the average salary year on year. Average salaries in Yorkshire and the North East were also generally static – tight margins across Commercial and Residential Property sectors acting as the resistance to increase salaries in the face of a shortage of talent. Corporate and Commercial once again bucked the trend, with other slight rises in Litigation and In-house roles.

North West – High Low Average Salaries



Yorkshire and North East – High Low Average Salaries



Salary indices

In 2014 we added to our portfolio of services here at Douglas Scott and established our International and Legal IT functions. And, as well as an increase in respondents for both of these areas giving us real insight into the legal landscape, our experienced consultants also have a wealth of knowledge about trends, observations, and salary expectations.

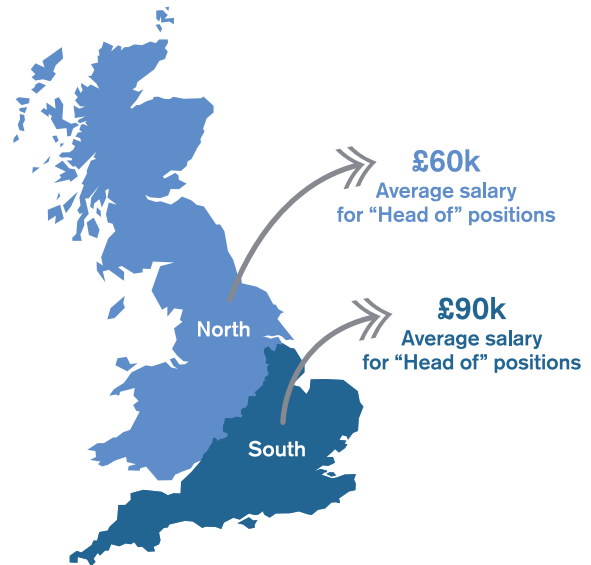
Legal IT – “the north/south divide”

In terms of permanent employment, we have noticed that within the Legal IT space, the candidates who have acquired development expertise in any of the Document Management systems are the clear winners in commanding a greater salary than say your “.net / C# Developers”. These guys are in-demand and operate in a contract heavy market so can command roughly 10-15% more.

Salary bandings differ greatly between the North and South, with a ‘Head of’ position in the South commanding £90k on average compared to a similar role in the North at £60k. A ‘1st Line Support Analyst’ in the South can also expect 40% more than the average seen in the North of £20k.

Is it any wonder firms are “North-shoring” when you can save up to 25% – 30% on the cost of staff?

The growth in shared service centres in the North, particularly Manchester, has created a mini talent boom within Legal IT, admittedly this is largely concentrated within the service space. That being said, we are noticing more system developers and DBA's remaining in the North of the country. The difference in cost for a Software developer of some 30% is a huge amount for employers, and with the commute to London only 2 hours it's too attractive a proposition for firms not to be considering relocating development teams. The introduction of the new HS2 will see this reduced and further enhance the attractiveness of tapping into the Tech talent up North.

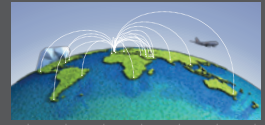


Middle East – “an attractive and ever-popular career-move”

The United Arab Emirates (UAE) has once again been reaffirmed as the most popular destination in the GCC, returning to its pre-crash level of popularity. This is largely due to its appeal for expatriates looking for stability, infrastructure and optimism about the country's economic development. This was further strengthened following Dubai's successful bid for the Dubai Expo 2020. Qatar comes in a close second with the pace of development of infrastructure in preparation for the World Cup as ripe as ever, followed by Oman and Saudi Arabia.

With salaries in 2015 forecast to rise at a higher rate than 2013/14 across most of the Middle East, the region is becoming increasingly more attractive for professionals from the UK, Australia and the US. The most obvious attraction other than the low tax rate is that the Middle East are more commonly using the English language and have adopted common law regulations across most of the GCC which makes for an easy transition. Most business transactions are conducted in English law, so lawyers with a UK or Commonwealth background are always very popular and re-qualification is not needed. Practice areas most in demand at present include Corporate / Commercial, Construction (contentious and non-contentious), Real Estate / Property and increasingly Intellectual Property / Patents.

Our year: 2014



January

We became one of the UK's first independent legal recruitment specialists to open up an international desk, and launched our first AGM at the K Club in Ireland.



Goldman Sachs

March

Our MD Kath graduated from the Goldman Sachs Small Business Programme.

It was back to school for our Management Team who completed the TOP TEAM Programme at Lancaster University.



February

Our new brand was officially launched and remains a true reflection of our personality and character as a business.



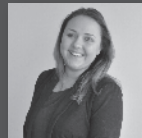
Joanne completed a Dryathlon raising **OVER £1K** for Cancer Research



Dave cycled **52 MILES IN 3 HOURS** completing the Great Manchester Cycle

April

We interviewed Britain's best known commentator on the law, Joshua Rozenberg for our Blog and newsletter.



May

Kate passed her driving theory test...7th time lucky!

June

We scored an impressive 100% in our annual Recruitment & Employment Confederation (REC) compliance test – designed to assess our knowledge of industry legislation and the REC Code of Professional Practice (REC Code).



We sponsored the 10th London Legal Walk, raising over **£500,000** for free legal advice charities



5 House Moves



3x
engagements

September

Donning our suits and ties we were delighted to sponsor the C&I Annual Dinner at The Savoy in London for the second year running. A quick trip to the dry cleaners and the suits were out again for the Recruitment Business Awards in Manchester where we walked away with "Best Recruitment Agency 0-50 employees" and "Best Use of Animation" awards.

To round up a fantastic month we also found out that we had been awarded Investors In People 'Gold' and Claudio passed his driving test.



INVESTORS
IN PEOPLE | Gold



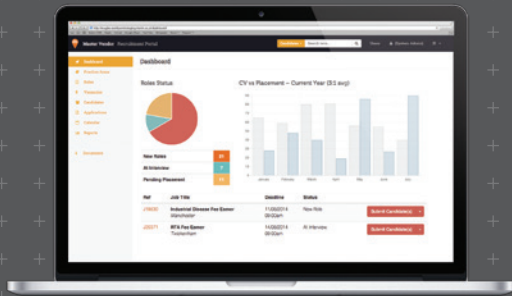
October

Douglas Scott celebrated its 10th year in business.



August

We launched our bespoke recruitment portal on the back of winning our first Master Vendor contract – helping both parties to manage the whole recruitment process.



November

Nazrin achieved Level 2 NVQ in Business & Administration. In fact, three of our apprentices gained NVQ qualifications last year.



4196
Job Instructions

Turnover Up
100%

July

We added to our portfolio of services with the launch of Costs and IT Desks.



**Amy got engaged
AND sold her house**

4,225 new
subscribers to our
"First Monday" Newsletter



3 to 1
CV to
Interview
Ratio

December

Adam and Iona both bought new puppies, and Dave finally completed on his new home.



1153
Job Offers

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London
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e: london@douglas-scott.co.uk

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B2 5LS

t: 0121 237 6499
e: midlands@douglas-scott.co.uk

Manchester
Level 11, Tower 12
18-22 Bridge Street
The Avenue North
Spinningfields
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M3 3BZ

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Leeds
No 2 Wellington Place
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LS1 4AP

t: 0113 366 2262
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Liverpool
The Corn Exchange
Fenwick Street
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t: 0151 225 0194
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