Salary and Benefits Benchmarker | 2018

## douglas scott

pinpoint positioning<sup>™</sup>

### **Salary and Benefits Benchmarker | 2018**

### Understanding the legal recruitment landscape

#### About us

Douglas Scott Legal Recruitment are awardwinning legal recruitment experts with a network of connections spanning local, regional, national and international law firms and In-house legal departments.

We act for legal professionals of all levels making lateral moves and taking steps up the ladder. And we also work with hirers looking to bring the best people into their organisations.

Our business – put simply – is to remove the pain points people can experience on those journeys.

#### A deep dive into legal sector recruitment

Every year we survey the legal community to produce our acclaimed Salary & Benefits Benchmarker – the biggest of its kind in the UK, and now in its 6th year.

With unique insight into salaries, employer benefits and bonuses as well as general career motivators, it is designed to inform both Hiring Managers and those looking for their next move.

A big thank you to the 3,000 legal professionals who responded to our survey, the 4,052 candidates who registered with us in the last 12 months and the law firms and In-house legal departments who instructed us on over 6,500 jobs in the same period.

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# And the happiest person in legal...

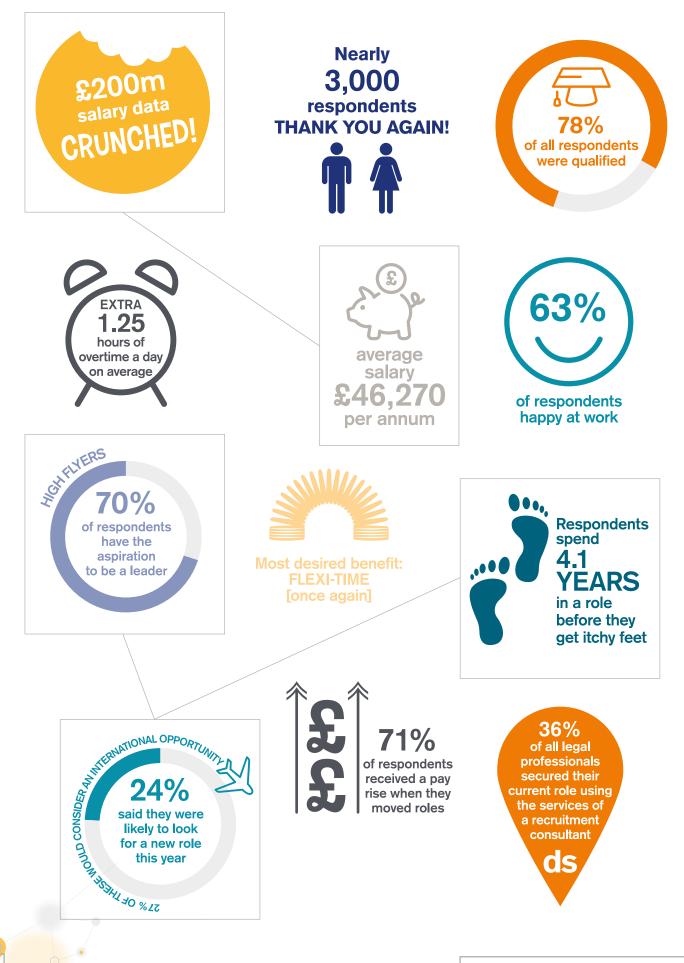
...that's Laura Clapton, a Director, mediator, and experienced family solicitor at Consilia Legal; family and employment law specialists with offices in Leeds and Harrogate.

#### The science:

We analysed factors such as job satisfaction, thoughts on salary, bonus and benefits package, as well as other triggers such as commute and stickiness in their current role. We are pleased to say that Laura scored the highest out of nearly 3,000 respondents. Many thanks again to everyone who took part in the survey.

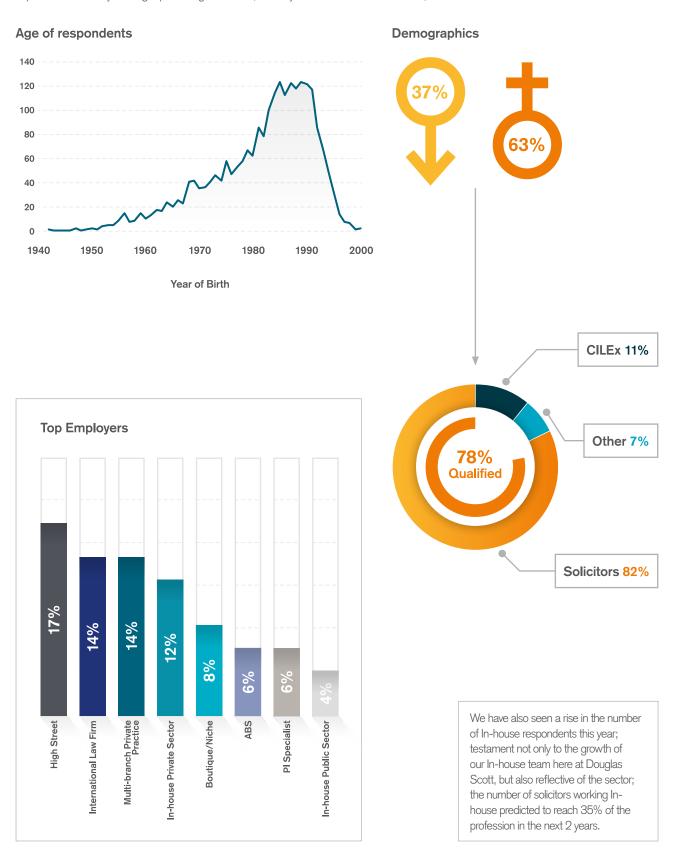
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### At a glance



### **Demographics of respondents**

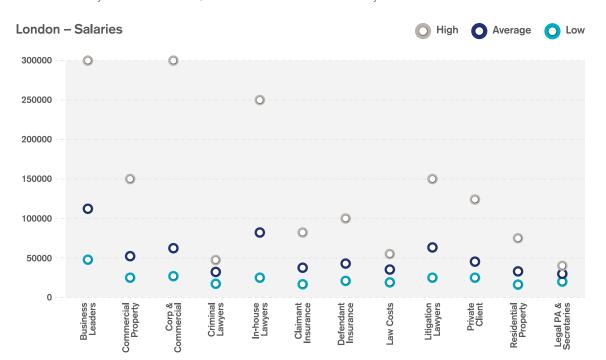
Female respondents to our survey outnumbered their male counterparts by 2:1 for the 4th year running, once again exemplifying the increased shift towards a female-dominated industry that has been anticipated for a while. In fact, according to The Law Society, in 2016-17, 67.5% of students accepted on to Law degree courses, and 61.5% of solicitors admitted to the roll were female, with parity expected imminently amongst practising solicitors (currently 49.5% of these are female).



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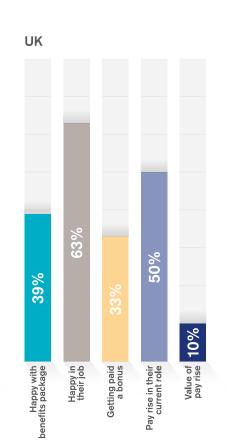
London

As expected, London based legal professionals are paid notably more than anybody else. This can be seen more prominently across the lower salary brackets in contrast to the rest of the UK. Other than Business Leaders, In-house Lawyers and Corporate/Commercial Lawyers in Private Practice remain the highest paid professionals. However, 2017 was marked by a slight decrease in general job satisfaction for legal professionals working in the City, perhaps linked to a fall in pay rises (18% less than the previous year). Those that were given a pay rise saw a fall in its value from 12% in 2016 to 8% last year. And, whilst more legal professionals in London received a bonus than anywhere else in the country, 18% were unhappy with their payout and there is still some apathy around general benefits packages. Interestingly, those living in London said they valued a financial bonus more than any other 'benefit', compared to those outside of the City who ranked this 3rd, after flexi-time and increased holidays.

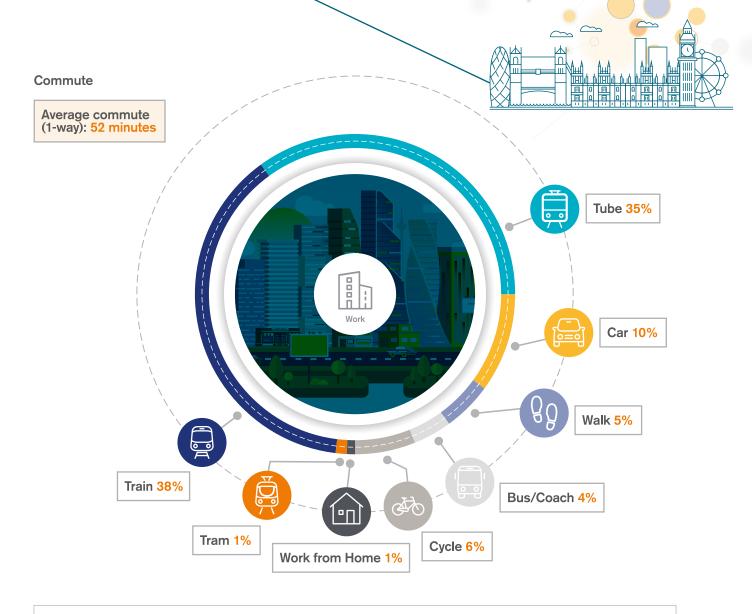




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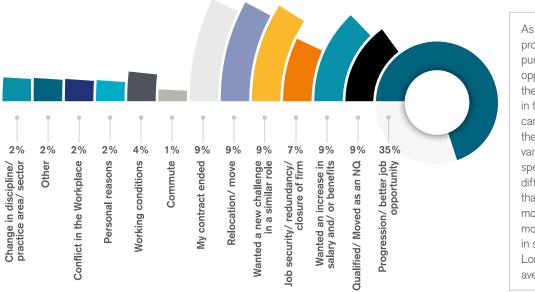






Working within the capital will always be desirable. But, with London remaining the most expensive location for rental accommodation in Europe, the cost of living continues to be a huge factor for many, especially given that 35% of London based legal professionals live in the city centre and of those that do, almost 50% rent.

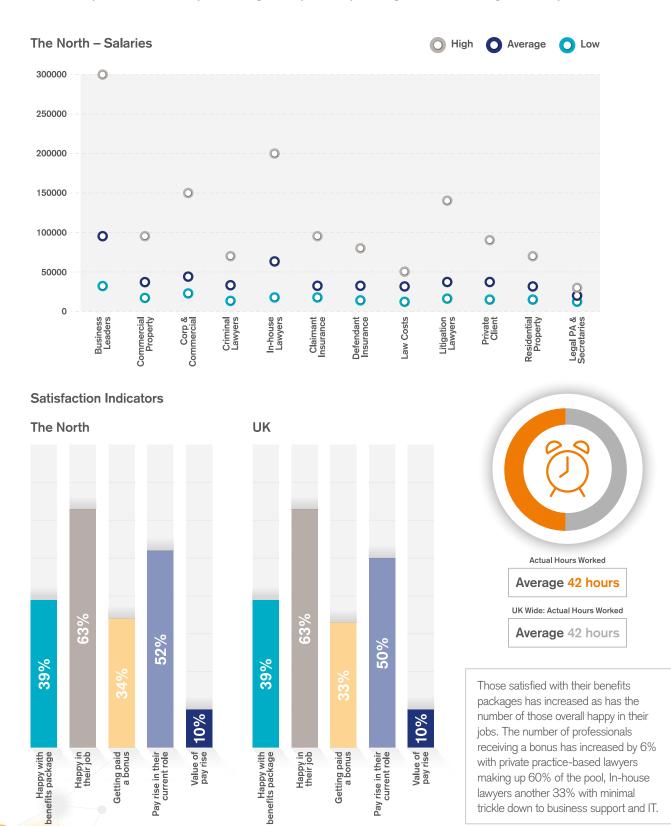
#### **Career Motivators**



As in previous years, progression and the pursuit of better job opportunities formed the predominant reason in terms of changing career. Following this, the picture is more varied with respondents specifying several different motivators that have informed their moves, although those moving for an increase in salary is higher in London than the UK average.

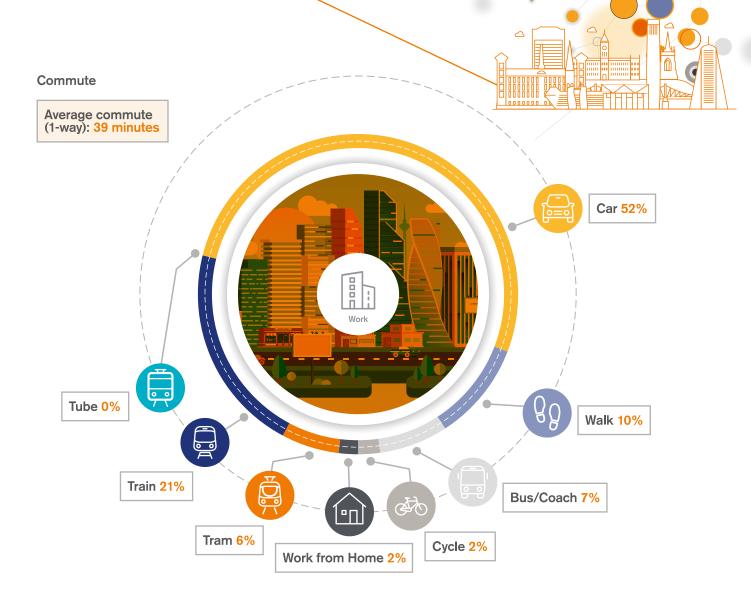
### **The North**

The results for the North are mixed in terms of satisfaction with salary and benefits, highlighting a rich, opinionated, yet divisive picture. Over 50% of people received a payrise in their current role, a huge decrease from the past two years of 19%. Northern professionals are also highly polarised when comparing their salary to the market average - the region has the highest % of people who believe they are paid above market average, as well as the highest percentage of people who deem their salaries as lacking against the rest of the market. Regardless of this attitude to market averages, salaries across the region have risen generally over the past 5 years, with peaks for those working In-house and Corp & Commercial. Over 50% of Northern professionals expressed a desire to stay in their current roles with only a fifth of those surveyed indicating that they'd be likely to change roles (the lowest figure nationally).

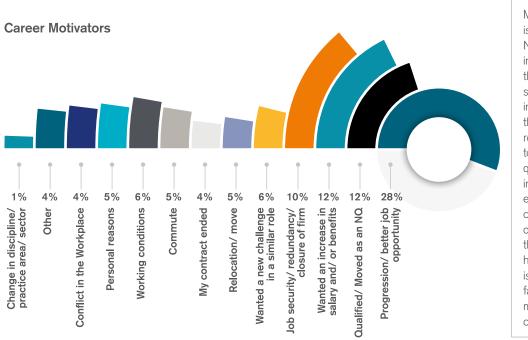


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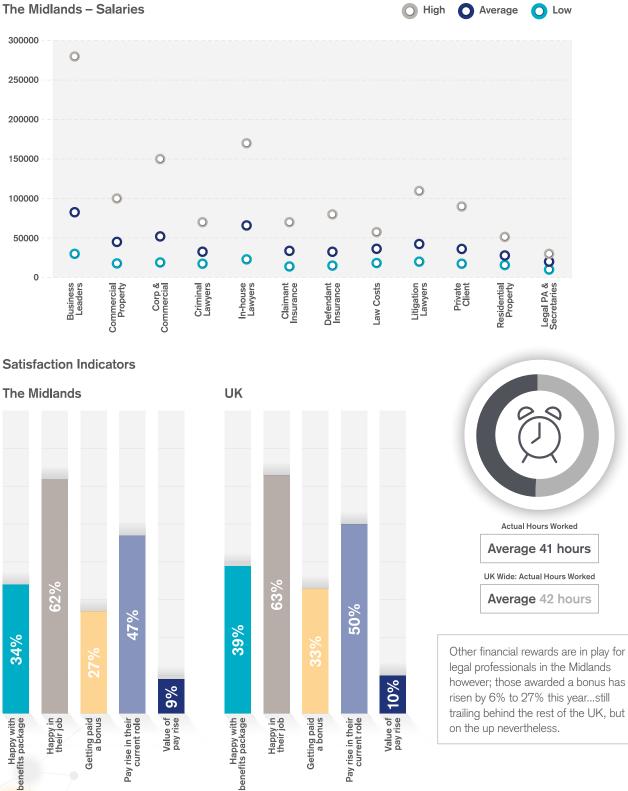
Slightly above the national average, the 39-minute average commute is the second highest in the UK, expected given that 68% of legal professionals live in the suburbs. In terms of career changes, progression once gain tops the board as the main motivator seconded by moving due to increases in pay or benefits – over 70% of professionals in the North securing a payrise on move. 70% of respondents also have Partnership aspirations, however, only a third of them thought that this was achievable in their current firm or business.

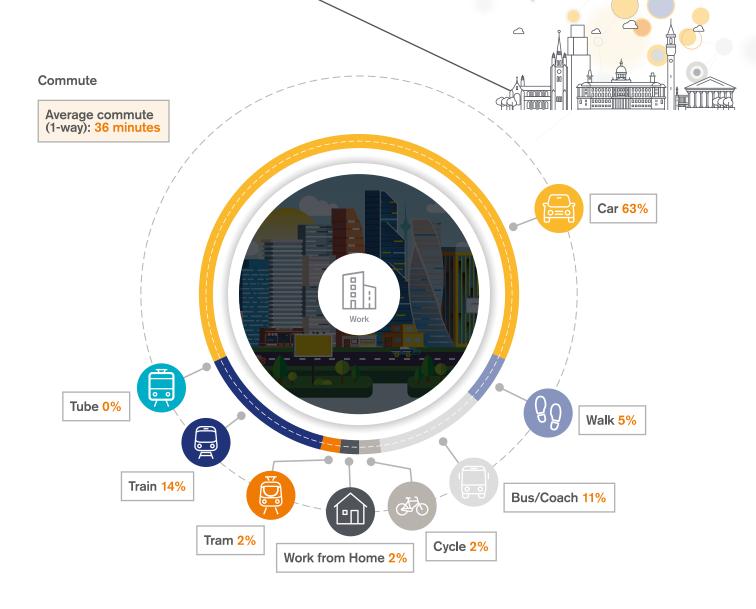


Moving on qualification is more prevalent in the North than elsewhere in the UK, indicating that there may be a slight discrepancy internally between the number of trainee roles and opportunities to progress once qualified. Professionals in the North have expressed more confidence in terms of their job security than in previous years, however, at 10% it is still a considerable factor in terms of making a career change.

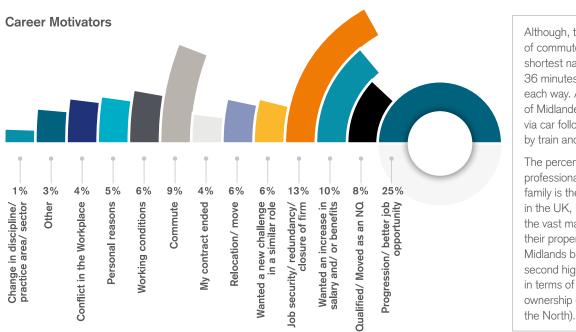
### Midlands

Regionally, legal professionals in the Midlands score consistently the lowest across the satisfaction indices. Whilst it may seem a bleak assessment, improvements are notably present when it comes to salary and benefits. Only 34% expressed that they were happy with their benefits packages, a 5% difference from the nearest regional average and UK average, yet, also 5% happier than the previous year. 62% are happy in their job making the Midlands the only area which falls below UK average, however, this was a further increase in comparison to 2017's data. There is a North-South divide when it comes to the changing value of payrises. Whilst the value of payrises has noticeably fallen since last year across the South of the UK, the Midlands and the North have retained the same averages, avoiding this drop. And, despite being the lowest nationally, 66% of professionals secured a payrise on move and 47% have seen a payrise in their current role (although this has dropped by 15% compared to last year).





Progression and job security remain the predominant catalysts for job moves in the Midlands and Wales, the latter being the highest occurrence in the UK. In line with overall national considerations, the third most frequent reason cited was an increase in salary and benefits. Despite this, more professionals in the Midlands than elsewhere believe they receive a salary in line with the market standard. Compared to other regions, a higher percentage of professionals cited their commute as the main motivator.



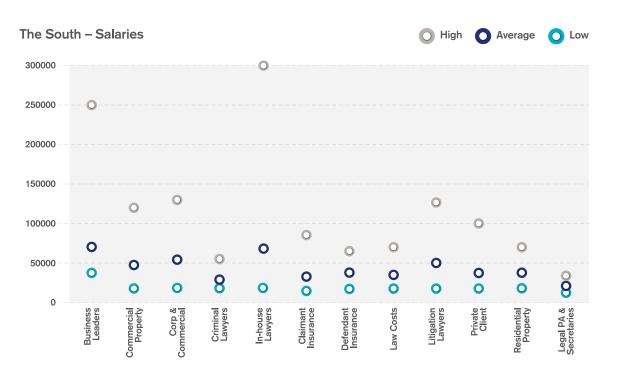
Although, the length of commute is the shortest nationally at 36 minutes on average each way. A huge 63% of Midlanders commute via car followed jointly by train and by bus.

The percentage of professionals living with family is the highest in the UK, however, the vast majority own their properties; the Midlands being the second highest area in terms of homeownership (after the North).

### The South

Whilst on the face of it, Southern and Eastern professionals seem happy and willing to express their contentment, underlying factors in salary and benefits may have their effect and come to challenge this in the future. Maintaining the top spot from last year and in comparison to other regions, Southerners are the most satisfied with their benefits packages and are the happiest in their current roles. Yet, concerning the latter, this was a decrease from last year of 5% – from 69% to 64%.

The South sees the largest increase in the number of professionals securing a payrise on move from the previous year, but this is countered with a fall in the value of the payrise itself. Furthermore, in line with the widespread national decreases in payrises offered in current roles, the South represents the biggest drop – a dramatic 31%.



#### Satisfaction Indicators

 Hapy with
 40%

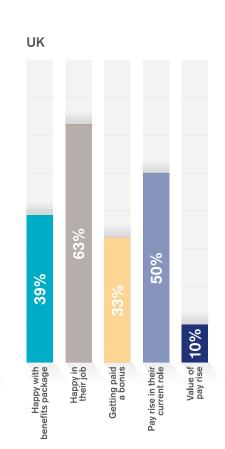
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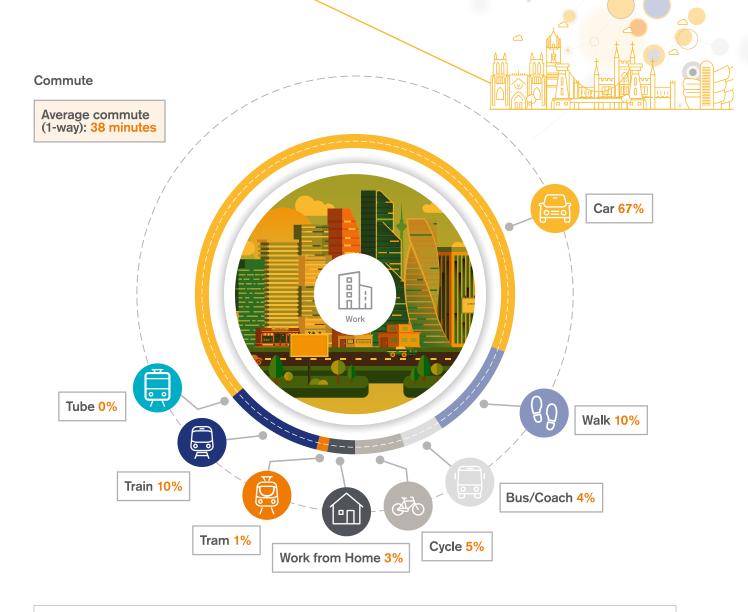
 Getting paid
 33%

 Pay rise in their
 46%

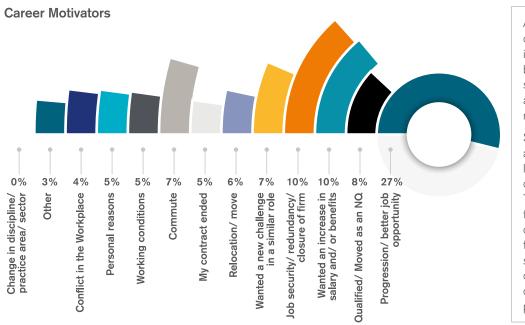
 Value of
 8%







Parallel to the rest of the UK, progression is cited as the main career motivator. Professionals in the South are ambitious and form the highest regional percentage of people who aspire to be a partner with 34% of them believing that they can achieve this in their current roles. 55% of Southern and Eastern professionals also indicated they were likely to stay in their roles – the highest % in the UK.

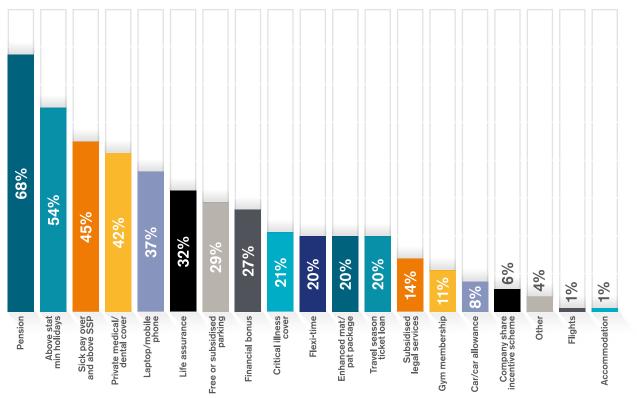


Additionally, considerations around increases in salary and benefits as well as job security come in at a joint second when navigating a job move.

Southerners on average form the largest majority of car-users in the UK. The South also has the highest percentage of home workers in the UK. 20% of those surveyed live in the countryside with 70% of them owning their properties.

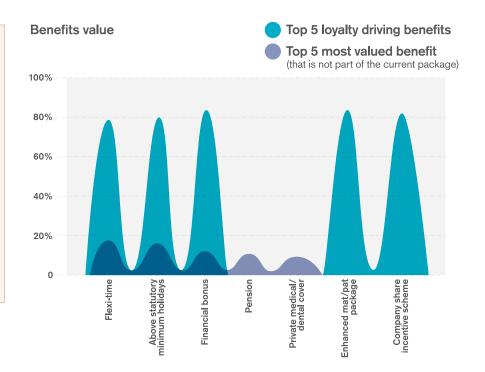


Benefits packages enjoyed by those working in legal have become more comprehensive over the past three years, with an increase across most components; most notably: pension contributions, private medical/dental cover, and financial bonuses. It is no surprise therefore that general satisfaction with benefits has hit an all-time high with 39% of respondents delighted with what is on offer. That being said, there is little standout in what is being presented to employees, and carbon-copy packages may not have the desired impact. More distinctive benefits on offer with our respondents included concert tickets, homeworking, and paid-childcare.



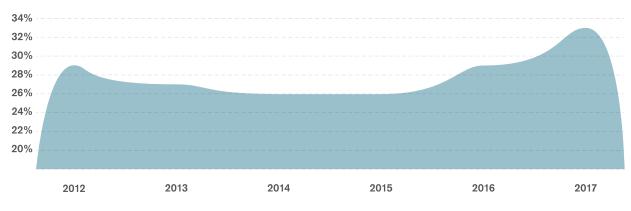
#### Which benefits are included in your current package?

A broad and varied benefits package undoubtedly impacts employee satisfaction, and also contributes to the decision to start looking for other opportunities. In fact, 37% of respondents who said they were unhappy with their benefits package also said they were likely to move roles within 6 months, compared to just 16% of those who were happy with their lot. Flexi-time remains the most valued benefit for the second year running, and interestingly is now part of the package already granted, amongst 20% of our respondents – 5% more than in 2016.

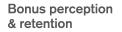


### Bonus

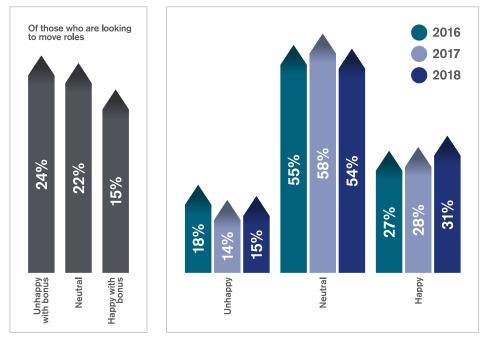
Over 33% of legal professionals received a bonus, dividend or profit share last year – the highest % we have seen in over 5 years – with those working In-house or in a Compliance role the most likely recipients (48% and 46% respectively). And, peaking at 14% of salary, it is little wonder that satisfaction with bonuses is on the same upward trajectory.



#### % of UK Legal Profession who will be paid a bonus

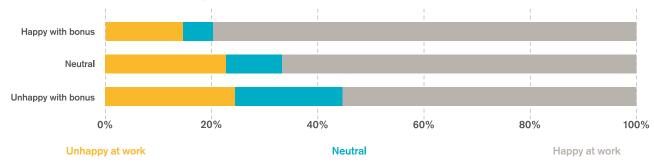


Bonus perception



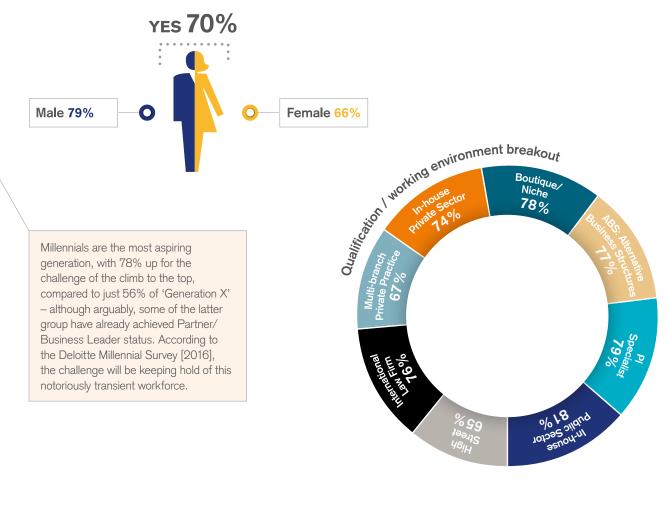
London lawyers are 10% more likely to get a bonus than colleagues based in the Midlands, and interestingly, are the only region in the UK that rate their financial bonus above any other benefits in their package; all other regions cite flexi-time and increased holidays as more valuable. For the third year running, more males than females are paid a bonus and although the gap is narrowing year on year, bonus disparity continued to be a much-contested issue in 2017 alongside general remuneration.

#### Relationship between bonus and job satisfaction

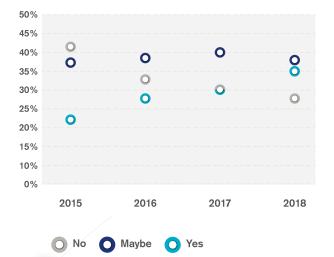


### **Career aspirations**

Our respondents this year are more ambitious than ever with over 70% striving to make Partner/Business Leader level in their legal careers. Confidence in achieving this status with their current employer has also peaked with over a third believing this is possible – a 13% rise in 4 years. However, fewer females than ever share such aspirations with a marked volume of respondents citing 'perceived stress' as the reason (16% compared to 5% of males).

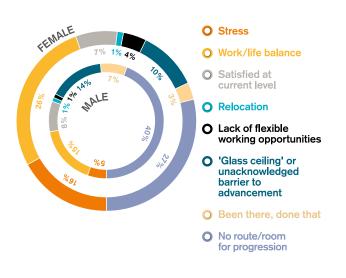


#### Do you aspire to be a Partner, Manager or Business Leader in your career?



### Will leadership aspirations be achieved with current employer?

#### Reasons for NOT choosing the Partnership route

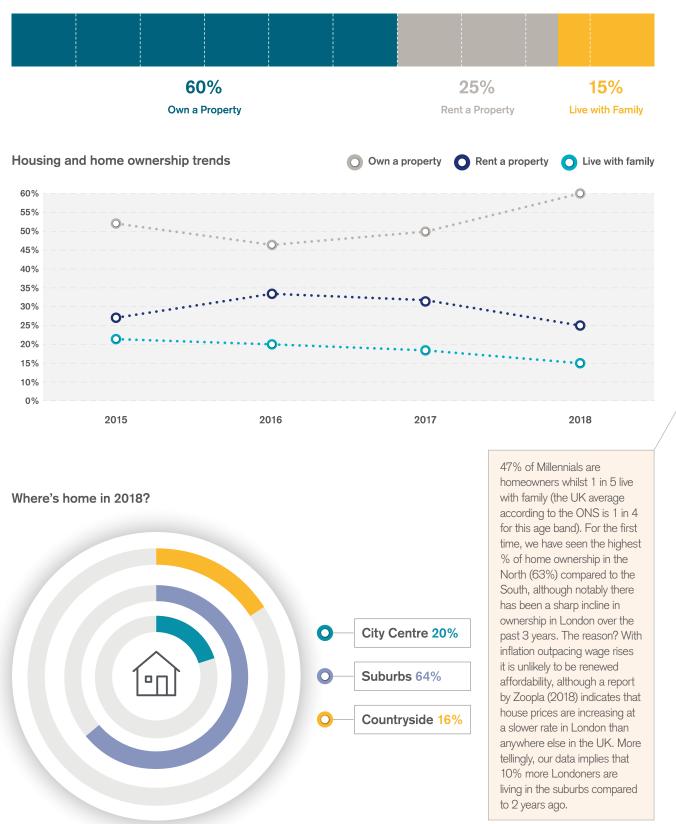


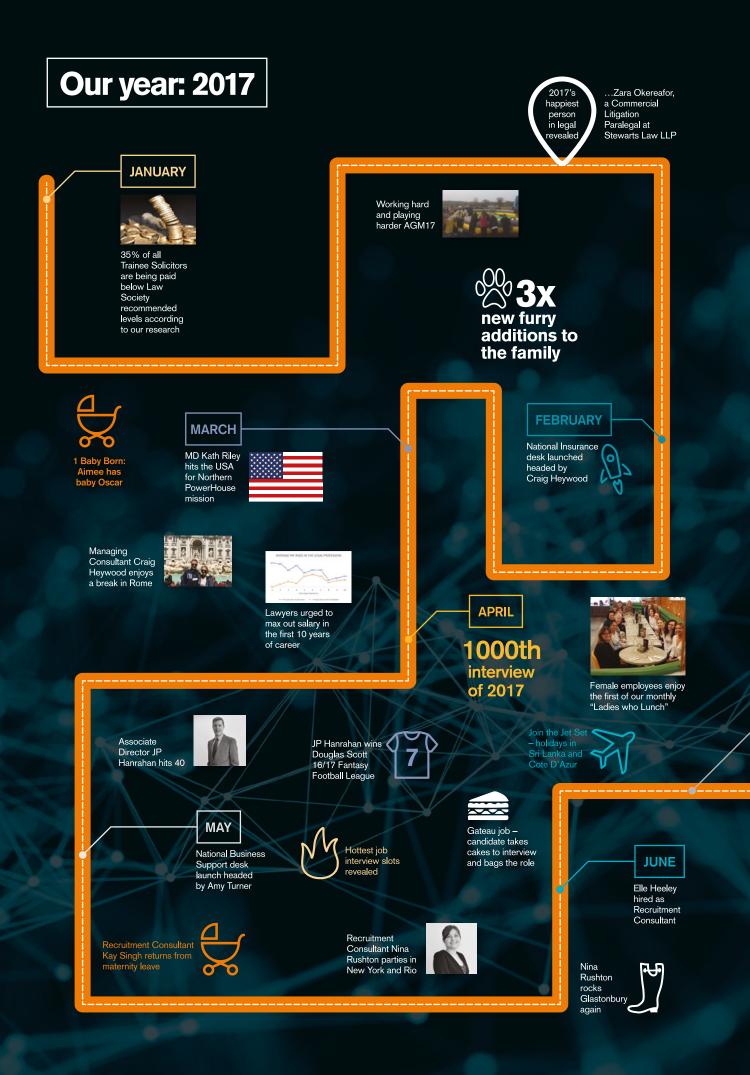


### **Property ownership**

Our data this year indicates that there are more homeowners than ever before amongst the legal profession. And, whilst perhaps indicative of our maturing database of respondents over the years who have moved through the ranks, at 60%, it is more in line with the UK average of owner-occupiers [source: ONS]. We may also be seeing the impact of low interest rates, cheaper mortgages and abolition of stamp duty for first time buyers as the % of those renting and living with family has dropped, in favour of setting down roots with bricks and mortar.

#### Housing and home ownership in 2018







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