

## **Salary and Benefits Benchmarker | 2020**

## Understanding the legal recruitment landscape

#### **About us**

Douglas Scott Legal Recruitment are multi-award winning, values driven legal recruitment experts with two decades of sector experience. From offices in London, Birmingham, Manchester, Leeds and Bristol we connect talented legal professionals with the best career options across regional and UK200 private practice, City and International law firms and Commerce and Industry's In-house legal departments.

Take a deep dive into the data.

# Getting under the skin of legal sector recruitment

We reach out to the legal community every year to produce our acclaimed Salary Survey and Benefits Benchmarker – the largest and most comprehensive of its kind in the UK, and now in its eighth year.

We have analysed thousands of responses from the sector; used cross tabulation techniques to establish the relationship between variables and looked in detail at trends and patterns over time using our historic data. The result is a unique body of research that is trusted to inform both Hiring Managers and legal professionals looking to further their careers, and offers unique insight into salaries, bonuses, the make-up of benefits packages and career motivators.

A heartfelt thank you to the thousands of legal professionals who responded to our survey, the 5,632 candidates who registered with us in the last 12 months and the law firms and Inhouse legal departments who instructed us on over 5,122 jobs in the same period. This is the 8th year of our acclaimed Legal Sector Salary Survey and Benefits Benchmarker – the largest and most comprehensive of its kind in the UK. We have crunched tens of thousands of bits of data to produce some unique insight and create talking points around career motivators, salaries, bonuses, benefits packages and much more which can hopefully guide Hiring Managers and legal professionals through their decision making.

### **Contents**

Happiest person in legal	03
At a glance	04
Demographics of respondents	05
London	06
The North	08
Midlands	10
The South	12
Benefits	14
Bonus	15
Career aspirations	16
In-house	17
Our year: 2019	18



## At a glance







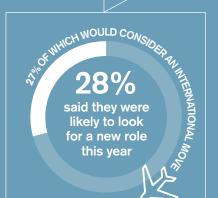














of respondents speak at

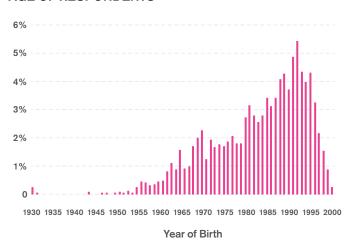
least one other language

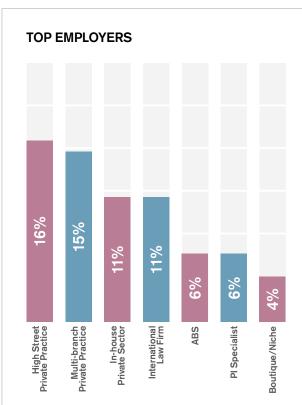


# Demographics of respondents

Once again, more females than males responded to our survey as has been the case since we began our annual research back in 2013, however by a slightly lesser margin (1.4%) this year. The backdrop of the legal industry corroborates this trend with a continued domination by females entering the profession (two-thirds of trainees in 2018 were female according to The 2018 Law Society Annual Statistics Report) and then qualifying as practicing solicitors (62% of those admitted to the Roll in 2018 were women). However, according to the report, representation at partnership level continues to tell a somewhat different story with males outstripping females by more than 2:1. We delve further into career aspirations and the drive to reach Partner level on p.16.

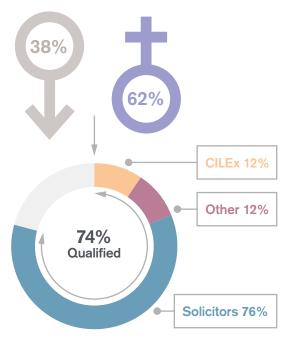
#### **AGE OF RESPONDENTS**



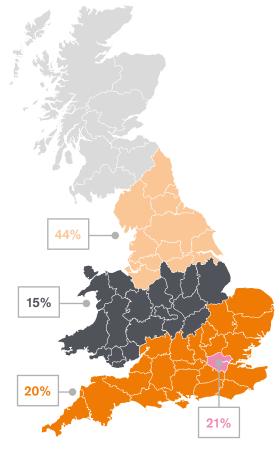


We have once again pulled out insight from our In-house respondents (p.17) - who represent over 17% of all responses we collected. The share of solicitors working In-house grew further to 22.4% in 2018 with numbers predicted to continue on this upward trajectory in 2020. According to the SRA, 66% of In-house solicitors work in the private sector (primarily financial services) and 58% are female.

#### **DEMOGRAPHICS**



#### LOCATION

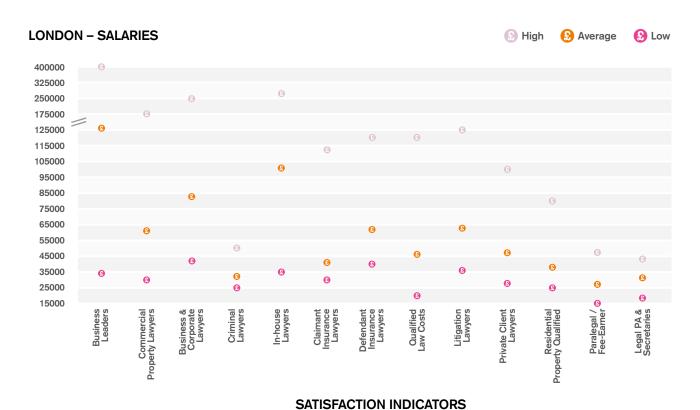


# London

London based Legal professionals are the UK's happiest by a significant margin, despite being the least happy region the year previous. Happiness in current role climbed a considerable 6% from 2019's figures, returning to the level of sentiment present within 2018 and 2017. Also, an overwhelming 90% of Londoners see themselves still working within the sector in the next 5 years.

Happiness with benefits packages, rose by 5% from last year to 40%. Massive strides in terms of benefits offerings have been made on 2019's results, including a 5% hike in those receiving above the statutory minimum number of holidays, a 9% increase in terms of critical illness provision, a 10% rise in flexi-time, a 5% growth in agile working, and a huge 14% extra obtaining work laptop/mobile devices.

This is irrespective of the slight decrease in terms of satisfaction with bonus, a 4% decrease in those receiving a pay rise on move, and a dramatic drop of 10% in those receiving a pay rise in their current positions. Though with a spotlight on the so-called NQ salary wars, renumeration is still high on the agendas of many, especially within such a tightly competitive candidate led market.



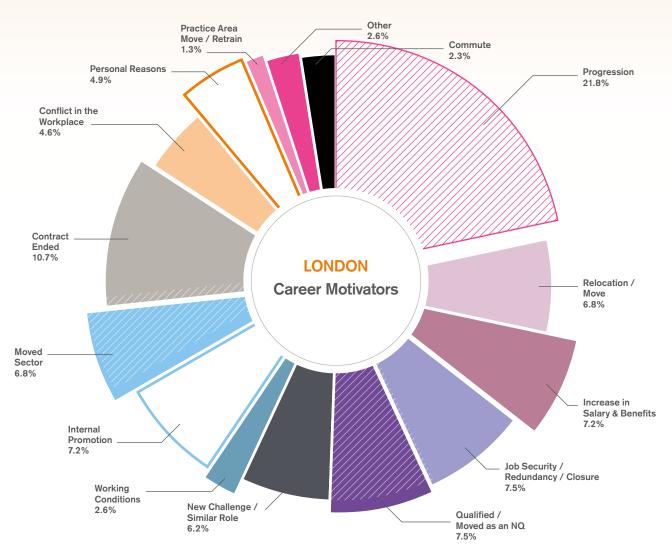


#### London ----- UK Average Happy with benefits package 40.3% Happy in their job 60% Getting paid a bonus 32.6% Pay rise in their current role Value of 10.3% pay rise Pay rise on move 67.3% Value of pay rise 23.3% on move

#### MARKET OVERVIEW | DIVISIONAL HEAD

about a trade deal, some look more attractive due to the valuation of the £. Contracts in some sectors will London with a "Brexit bounce" driving

The demand for 2-5-year City lawyers, especially those working in Financial, banking, regulatory, commercial and technology-based practices once again vastly outstrips Family Lawyers are well sought after within the market, and regarding wills and probate, nothing is as certain in life than death and taxes. Public funded areas of law like Immigration and Crime are also demonstrating



Londoners are the most ambitious professionals within the UK, non-surprising given the competitive nature of the market as well as the ample opportunity that exists within the City. 75% of respondents (not currently working within a partnership or business leader role) had aspirations to reach management level, yet, as in 2019, Londoners were the most likely to feel that they could not achieve this feat in their current position - the biggest reason cited being "no route to progression". 18% of our respondents based within London relocated to the region with over half of them expressing interest in pursuing their dreams further afield; 76% of those open to relocation even had designs on destinations outside of the UK.

#### **LONDON**

- 1 Berkeley Street, Mayfair, London W1J 8DJ
- t: 0203 846 3071
- e: london@douglas-scott.co.uk

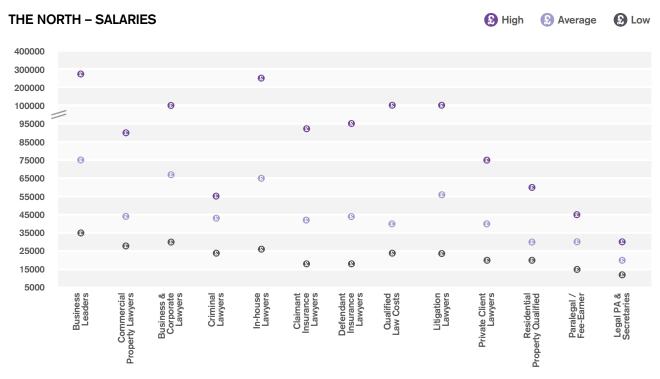


# **The North**

Northern based legal professionals concede that their salaries are higher than the market average and, as firms look to northern expansion, this will only continue to be a theme. As seen in London, renumeration becomes weaponised in line with the growth of competitive markets and, with a huge 91% of Northerners (a 32% increase on 2019) being anti-relocation, hiring potential resolutely resides in the North.

Regionally, those in the North are the most likely to receive a pay rise within their current role, beating the UK average. The value of this pay rise also tops the national figure and offsets the fact that the % of people receiving a pay rise on move and the corresponding value of this has for the last two years dipped below the UK benchmarks.

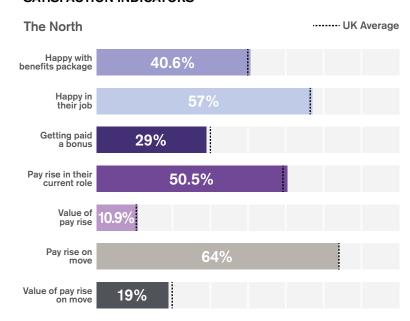
Northerners are the happiest with their benefits packages nationally. In terms of which regions have the highest % of people acquiring certain benefits, the North leads the way with only two: extra holiday allowance and enhanced maternity/ paternity leave. Employers within the region are also the joint most likely to offer flexi-time. Substantial increases can be seen in critical illness offerings (18% from last year) and laptop/mobile provision (10%).



# Average Hours Worked Actual 41 hours Contracted 36 hours Difference: 5 hours UK: Average Hours Worked

Actual 41.8 hours
Contracted 36.2 hours
Difference:
5.6 hours

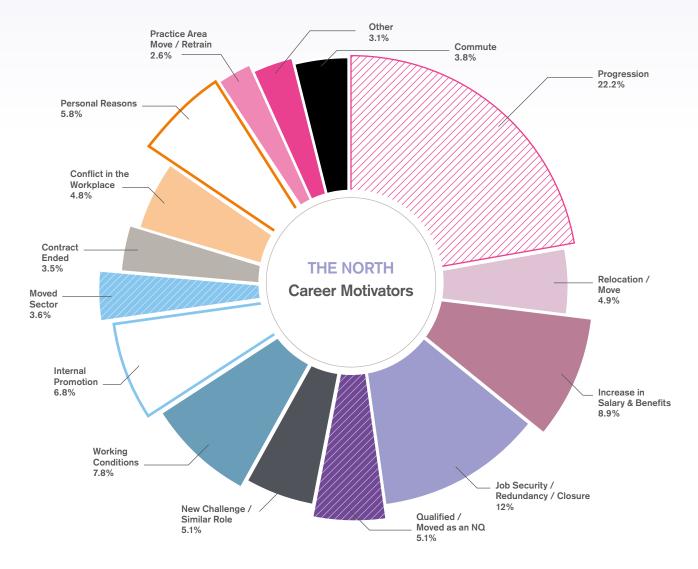
#### SATISFACTION INDICATORS



#### MARKET OVERVIEW

As the PI reforms begin to bite, the market has shown corresponding signs of regression with firms looking to compensate for this loss in work. High caliber Catastrophic Injury, Clin. Neg., Legal Costs and Credit Hire specialists remain highly sought after. Firms have also tapped into the lucrative market of mis-sold claims and Professional Negligence ushering in a new age of Commercial and Civil Litigation in the wake of the PPI phenomenon.

Despite fears of a declining market, services for business has remained very strong within the North of the UK. The battle continues to rage within Commercial Law with Manchester at the epicenter. How firms with commercial and corporate offerings evolve in 2020 may dictate who can secure the expertise of market leading talent, especially within the context of continued Inhouse sector growth and the rise of alternative structures.



Although (like much of the UK) Northerners continue to state progression as the main reason for leaving their last role, they are the least likely in 2020 to have designs on becoming a business leader/ partner. The most common reason cited was work-life balance followed by a reluctance to take on extra responsibility. As seen above, 'Job security, redundancy and firm closure' features as the second most dominant reason as to why legal professionals moved from their last positions; it has crept up slightly from last years' results by 2% and is the third consecutive year of placing in at second place within our motivators list.

#### THE NORTH

No.1 Spinningfields, 1 Hardman Square, Manchester M3 3EB t: 0161 233 6360

e: northwest@douglas-scott.co.uk

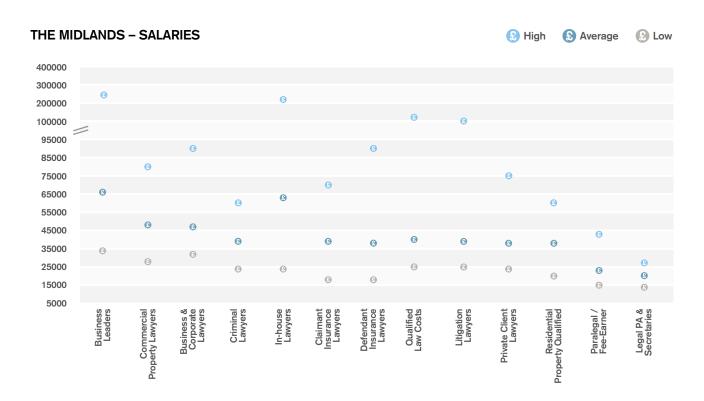


# Midlands

Negative sentiment within the Midlands has been noted year on year. At 53% they continue to be the least happy regionally in their current roles, down 2% from last years' results. Midlands professionals are the least likely nationally to believe they are paid above market average, yet, the % of those believing their salary is comparable to this rate has increased by almost 4% from 2018.

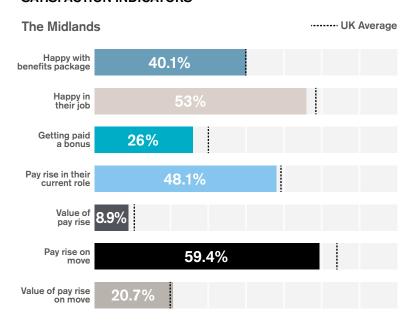
Those in the Midlands are also the most likely to pursue a career change in the next 6 months, however, only 59% of professionals secured a pay rise on move (the lowest national % and a drop of 6% from 2019). It must be noted too that pay rises secured on move are over 10% higher than those offered within current positions, meaning those that are financially motivated may need to look further afield

A huge shift in benefits package satisfaction (compared to 2019's report) has been observed with those content jumping from 30% to 40%. This is possibly a consequence of the decrease in the % of those receiving no benefits which has reduced substantially from 23% to 14%. Also, although less likely to receive a bonus, those in the Midlands that do are the happiest in the UK with it.



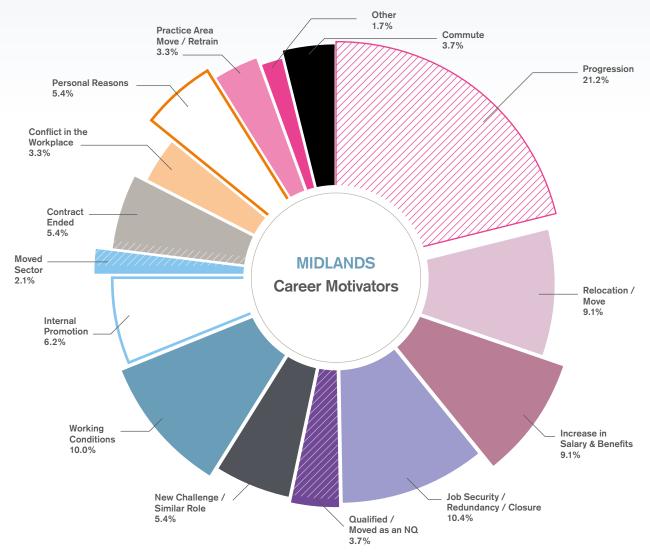
#### SATISFACTION INDICATORS





#### MARKET OVERVIEW

Central England, as in previous years is home to several residential property strong figures in terms of registrations and completions. People's hesitancy around Brexit subsided somewhat



Whilst most legal professionals have named progression as the main motivator prompting them to consider a career change, they are the most likely to maintain the same salary on making a move. Out of the 65% of Midlands based professionals who aim to join the upper echelons of the legal world, 43% believe they can do this with the support of their current employers, making them the most optimistic region in this respect within the UK. Despite accommodating some big players within law, the Midlands market is traditionally less saturated meaning it can foster more of an organic career path for those looking to climb the ladder.

#### **MIDLANDS**

43 Temple Row, Birmingham B2 5LS t: 0121 272 7371

e: midlands@douglas-scott.co.uk

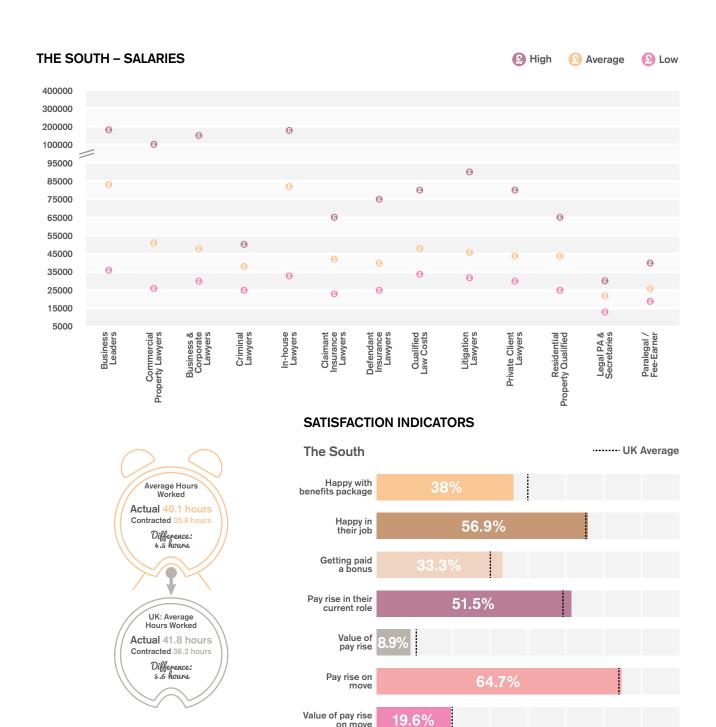


## **The South**

Unfortunately, the picture painted in this years' results is not as optimistic as illustrated in previous years. In the last five years there has been a slight decline in happiness as well as in some general job satisfaction indicators, compounded this year by the steep drop of 7% in those stating they are happy within their current job, from 64%, last years' highest figure regionally to 57%.

Moving into 2020, at 40% Southerners are the most likely to believe that they are paid below the market rate, they are the region most unhappy with their benefits packages, and the South has the joint highest number of legal professionals who would consider relocating away from the region. Moreover, Southerners are the most affected with Brexit issues within their current roles (according to perception).

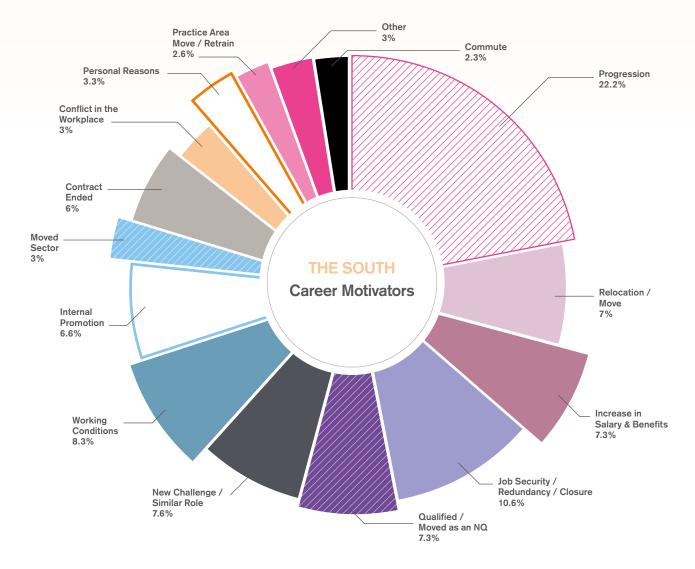
Despite the negatives, Southern professionals are the most likely to receive a financial bonus and have had the biggest increase in terms of bonus happiness from 2019's results (37% to 46%). When comparing to the UK averages, the South only falls short across two of the satisfaction indicators, meaning the aforesaid decreases are most likely symptomatic of national rather than regional specific causalities.



#### MARKET OVERVIEW

Firms in the South have reacted to the prolongation of Brexit negotiations which had subdued the desire to hire, particularly in Residential Property. This is especially evident within the Home Counties, where numerous Partners have drawn attention to the based services instructions. Despite this, confidence within the Property market has made a tentative return with estate agents reporting an uptake in instructions since the new year.

regeneration and development. This remodeling of the market to ensure multiple projects can work



Whilst UK averages which have fallen on a national scale since 2019, it appears that this has had a significant impact particularly within the South. In 2019's report we highlighted that Southern based legal professionals were the least likely to demonstrate a desire to leave their current roles in the next six months. In 2020 this grew by 4% meaning that those in the South are now the UK's most open to making an imminent move. 2019's benchmarker had warned that firms within the South should not rest on their laurels regarding happiness and that there may be more of a financial underbelly to work-place satisfaction than first impressions may suggest.

#### **THE SOUTH**

1 Friary, Temple Quay, Bristol BS1 6EA t: 0117 284 2120

e: southwest@douglas-scott.co.uk



13

## **Benefits**

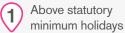
The general make up of the benefits packages on offer to legal professionals is not dissimilar to those we have seen in the last few years – with continued prominence of those elements that subscribe to the ever evolving workplace and the adjustments to the traditional 9-5 model. Over half of our respondents (once again) receive above statutory holidays in their benefits package – a good thing too as once again this remains the most valued benefit of all. Financial bonuses as part of the overall remuneration package have dropped by 3% YOY and whilst they continue to offer value to their recipients, flexi time, home- and agile-working have bulldozed their way into the wish list, which 6 years ago focused on the tangible – car allowances, gym memberships and bonuses.

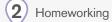


At a macro level, this shift in the desire for work-life balance can be seen against a back drop of an ageing workforce where dual-income families are the norm. According to employee benefits provider, Unum in The Future Workforce report, we are entering an era of the 'anywhere office' as more and more employers offer alternative working patterns and remote working solutions. Homeworking is part of the package for 37% of our respondents with the Office of National Statistics predicting that half of the UK workforce will be working remotely in the next year or two. And, whilst our research indicates that general happiness at work has dipped marginally this year (to 57%) overall satisfaction with benefits packages has hit an all time high at 40% - testament to those employers who are offering diverse packages that appeal to a workforce with shifting requirements and a bid to differentiate themselves in the market.

## Top 5 most valued benefits

(by all respondents)





3 Flexi time

4 Financial Bonus

**(5)** Agile working

#### Top 5 loyalty driving benefits

Above statutory minimum holidays

2 Private medical/dental cover

3 Home working

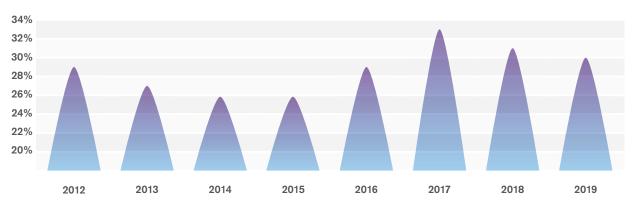
4 Critical illness and/or death in service cover

5 Enhanced employer pension contribution

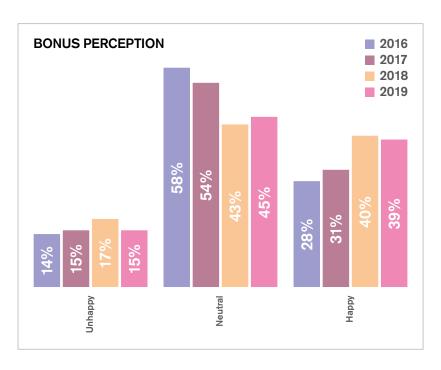
# Bonus

Recipients of a bonus or profit share has dipped by another % point on last year, although it still hovers around the 30% mark that we tend to see YOY. Similarly, happiness with bonus has wavered slightly despite this now rising to nearly 15% of annual salary - with an increase instead on those who remain positively on the fence. Perhaps not surprising when you consider that only 11% of our respondents said they valued a financial reward as part of a wider benefits package- surpassed instead by those elements that focus on greater flexibility around the traditional 9-5 model. Those working In-house were the most likely to enjoy a bonus/profit share at 37%, whilst 27% of those working for International Law Firms could said the same. This drops even further to 21% for those working for high street firms. So, does adding or keeping a financial bonus in the benefits package aid attrition? Ultimately alone, it seems unlikely. 25% of respondents who were happy with their bonus were just as likely to look for other opportunities in the market as those who were disgruntled.

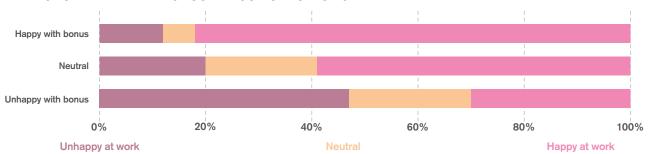
#### % OF UK LEGAL PROFESSION WHO WILL BE PAID A BONUS







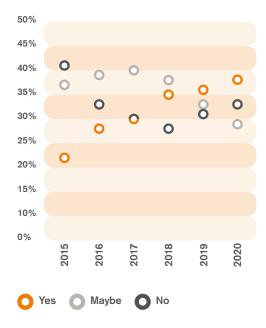
#### RELATIONSHIP BETWEEN BONUS AND JOB SATISFACTION



## **Career aspirations**

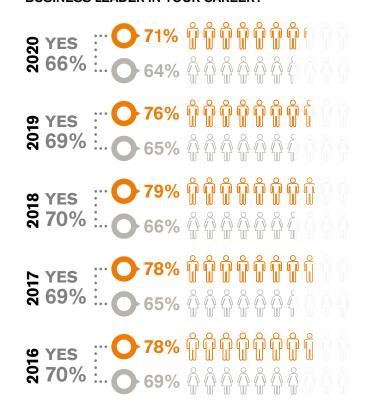
Aspirations amongst the legal sector to reach Partner level has dipped this year by some 3%, yet 66% of respondents still indicate a real ambition to climb the corporate ladder with legal professionals in London City the most ambitious at 74%. The downward trajectory is seen more profoundly amongst males who have witnessed a 7% drop in the last four years – citing 'work/life balance' and 'no room at the top' as the main reasons for the change in sentiment.

## WILL LEADERSHIP ASPIRATIONS BE ACHIEVED WITH CURRENT EMPLOYER?

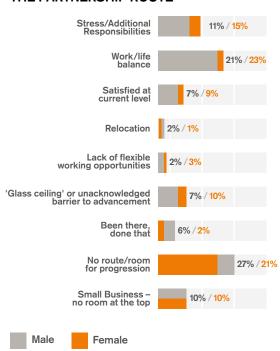


However, of those who have their sights set on the top, 38% firmly believe this is achievable with their current employer – the highest % we have seen since, and a huge 16% rise over 5 years. Across both male and female respondents, the strive for better 'work/life balance' and perceived stress at senior levels remains a profound and real reason for not choosing this path in their career. This is echoed in the most valued benefits which include flexi-time, homeworking contracts and agile-working environments.

## DO YOU ASPIRE TO BE A PARTNER, MANAGER OR BUSINESS LEADER IN YOUR CAREER?



## REASONS FOR NOT CHOOSING THE PARTNERSHIP ROUTE

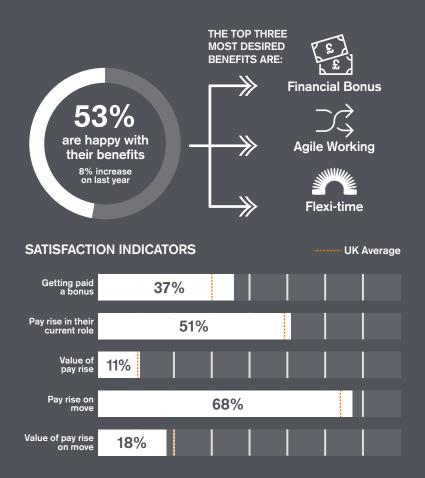


## **In-house**

It is estimated that In-house Lawyers currently make up 22% of the solicitors' profession, an increase of 8% across the last 15 years. In this time, Commerce and Industry has grown exponentially as the predominant employer of In-house professionals from around 6,500 to 19,000 solicitors working within the sector. Legal departments were traditionally regarded as mere internal teams that mimicked the structure of law firms on a microscale, however, the fundamental commercial value of In-house legal teams to business functions is being recognised more so now than ever before. This is especially true in terms of the ways in which Legal Counsel have been embedded in dual roles (often within a business leader capacity), and in the added ability for them to work fluidly across specific company specialisms and structures.

The Law Society recently reported that of all female Practising Certificate holders, 26.1% were employed In-house compared to 18.8% of their male counterparts. The dominance of women within senior In-house positions has been particularly noted within the North West market, with rates as high as 7:3 (female:male) observed. Strategic northern expansion of legal teams /relocation of businesses is another common trend seen within the sector. Businesses have looked to create foundations within the region because of the perceived value for money and wealth of talent. Subsequently, there has been a discernible boom in the number of Inhouse roles in the NW & Yorkshire regions and a corresponding rise in In-house salaries within the North; 2-5 PQE level often viewed as the sweet spot.

Overall Legal Counsel salaries and benefits packages continue to soar on a national scale. 8 of the top 10 salaries in this year's survey were reported by Legal Counsels; 7 of these working in the Capital. From last years' results, In-housers benefits packages have increased by 101% points across 10 benefit categories. Interestingly, 56% of In-house legal professionals currently receive homeworking (compared to the total UK average of 37%) and 40% receive agile working (compared to 26%); moreover, 63% of In-housers receive above the statutory minimum holiday entitlement - 10% above the total UK average. With In-house becoming an ever-attractive prospect, leading law firms are beginning to counter the rise in popularity and challenge the sector by way of introducing "virtual in-house" arms to their businesses. This sees dedicated teams handle high volume clients which outsource all/ some parts of their work to be handled offsite.







## **Our year: 2019**

#### O JANUARY

- We celebrate our 2019 AGM at Carden Park
- Chris H is promoted to Senior Recruitment Consultant
- Part of the furniture:
   Luke celebrates his
   3-year anniversary







#### O MARCH

- Christine Smith sits on the panel for Lexis Nexis's Flying Solo event for Inhouse Lawyers in London
- CEO Kathryn attends the Alison Rose Review of Female Entrepreneurship research preview

#### **MAY**

- A DS original: JP celebrates his 10-year anniversary
- The NatWest Financial Advice Roadshow arrives at Douglas Scott HQ





JAN FEB MAR APR MAY JUN







4 New Homes Bought



- DS's top billers take to the slopes and enjoy an all expenses paid for Ski trip in Val d'isere
- The CSR programme launches with new initiatives into recycling, charity, and workplace health formalised





**APRIL** 

- Stephen ties the knot and honeymoons in Thailand
- Business Psychologist Mark
   Wright delivers a session at the
   Quarterly Business Meeting on value building behaviours



#### **JUNE**

- The Financial Services Recruitment team is founded, headed up by Ashleigh Daniels
- Daisy goes on Sabbatical to complete her Masters Dissertation
- Craig pops the question in Santorini and gets engaged







■ We kick off our 'In the Round' series for Inhousers with a breakfast seminar on Competition law

**WE ARE** MACMILLAN

- Emily, Fran and Ryan are promoted to Senior Recruitment Consultant
- DS complete the Legal Walk with Gina joining its board
- Nikita and Nick named joint star bakers at Macmillan bake sale



#### **NOVEMBER**

- The first quiz organised by Douglas Scott, AWS Manchester & BSN (in partnership with LawShare & Kellands takes place
- Business Psychologist Mark Wright delivers a session on high-performance teams
- Smart Cookie: Gina gets her MBA results!
- Gina attends the Global Recruiter's Digitisation & **Talent Summit at NatWest**



**Business Unit Director** 

■ Luke is promoted to Associate **Principal Consultant** 

■ Alex and Stephen are promoted to Senior Recruitment Consultant

JUL **AUG** SEP NOV DEC

#### **AUGUST**

■ Lorraine gets married and honeymoons in Bali



#### **OCTOBER**

- Douglas Scott celebrates its 15th birthday
- We hit our best EVER month on record!
- Tom is crowned King at the Halloween Superbowl
- MD Gina attends the Royal Mail Graduate Scheme

2 Weddings & 2 Engagements





#### **DECEMBER**

- Alex proposes and gets engaged to his other half in Iceland
- The DS team volunteer for Wood St Mission during their Christmas donations drive
- Craig makes the shortlist for the Made In Manchester Recruiter of the Year 2020 award



5122+ **Job Instructions** 



