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**In-House Counsel Pay Is Improving
According to HBR 2011 Law Department Survey**

November 8, 2011 - (Chicago, IL) – The rate of salary increases for in-house legal counsel is picking up pace, according to HBR Consulting, leading consultants to the legal industry. HBR Consulting today announced the release of key data on in-house compensation from its 2011 Law Department Survey.

The compensation report includes more than 6,000 attorneys across nine levels and more than 5,000 non-attorney staff. The median company in the compensation report is one with 29 lawyers worldwide and more than \$8.5 billion in worldwide revenues. HBR Consulting's Survey is unique among law department surveys in its continuity over the past 25 years and representation of larger law departments. The compensation data in the 2011 Survey is effective as of March 2011, compared with the same period a year earlier. References to the data from the 2010 Survey reflect compensation data as of March 2010 and March 2009.

Base Salary

This year's Survey shows a higher rate of base salary increases for in-house lawyers. The average salary increase was 3.3 percent (median: 2.6 percent), up from an average increase of 2.6 percent (median: 2.0 percent) reported in the 2010 Survey. In contrast, the last several years of Survey data had shown a slowing trend in salary increases.

"Although the percent increases are not dramatic, we are seeing substantial improvements in in-house compensation levels this year," commented Lauren Chung, Senior Director.

"Many companies have lifted salary freezes and bonus levels appear to be approaching pre-recession levels. The outlook for the in-house market seems promising with law departments focusing on increasing their internal staff and with improvements in compensation levels."

- The average base salary for all attorney levels was \$178,000 (median: \$170,000).
- General Counsel (GC) had the highest average increase in base salary at 6.1 percent (median: 3.0 percent).
- The average base salary for the GC was \$416,000 (median: \$374,000).

Cash Bonus

As with the 2010 Survey, cash bonuses continued to increase in this year's Survey. Across all attorney levels, there was an average of 25.7% percent increase (median: 7.9%) in the cash bonus.

- The average cash bonus for all attorney levels was \$67,000 (median: \$45,000).
- The average increase in cash bonuses for GCs was 18.3% percent (median: 6.3%).
- GCs received an average cash bonus of \$370,000 (median: \$262,000).

Total Cash Compensation

According to the 2011 Survey, the average increase in total cash compensation (base salary plus cash bonus) for all attorney levels was 7.5 percent (median: 4.4 percent). This was a notable improvement from the levels reported in the 2010 Survey, which showed an average increase of 5.5 percent (median: 3.9 percent).

- The average total cash compensation was \$245,000 (median: \$216,000) across attorney levels.
- GCs received an average of 13.7 percent (median 5.9 percent) increase in total cash compensation compared to the prior year.
- The average total cash compensation for GCs was \$776,000 (median: \$635,000).
- Bonuses made up over 40 percent of the average total cash compensation for GCs.

Total Compensation

Total compensation, which includes base salary, cash bonus and value of long-term incentives, increased an average of 7.8 percent (median: 4.4 percent) among all lawyer levels according to the 2011 Survey. The average increase in the 2010 Survey was 6.2 percent (median: 4.4 percent).

- The average total compensation for all attorney levels was \$310,000 (median: \$244,000).
- The average increase in total compensation for the GC was 21.8 percent (median: 8.9 percent).
- Total compensation for the GC was \$1,419,000 (average) and \$1,105,000 (median).

ABOUT HBR CONSULTING

HBR Consulting is the independent leader in providing unified strategy, innovation and implementation services to law firms and law departments. Our advisory and sourcing practice help our clients leverage information and technology to achieve high value, mitigate risk and manage costs. Our assessment and planning services measure clients against peers and best practices while aligning business strategy and tactical objectives with process and technology. Our information management and mission critical infrastructure services help improve productivity through effective email, document and records management solutions supported by highly available and recoverable systems and infrastructure.

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