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In-House Counsel Compensation Sees Steady Growth for Fifth Straight Year, According to HBR Consulting's 2017 Law Department Survey

Corporate law departments are increasing compensation across all attorney levels as more work moves in house

December 5, 2017 (Chicago, IL) – Salaries for in-house counsel grew slightly over the past year, according to a new analysis from [HBR Consulting's \(HBR\) 2017 Law Department Survey](#). The average year-over-year increase in total compensation (base salary, cash bonus and long-term incentives) across all attorney levels is 3.5 percent, down slightly from the 3.7 percent increase reported last year. The average total compensation of an in-house attorney is \$321,000, according to HBR's survey.

Of the surveyed companies, 66 percent reported an increase in spending on law department compensation and benefits. This finding supports the core spending metrics in the overall HBR Law Department Survey, which revealed that total internal legal spend is up 4 percent while outside counsel spending has remained flat over the past year.

As organizations continue to rely on internal legal staff to support increased legal demands, they have strived to align law department compensation packages with industry benchmarks.

"The survey reports a healthy growth in compensation for in-house lawyers across staff levels," said Lauren Chung, managing director and survey editor for HBR. "This points to an increasing focus among leading law departments on legal talent development and management."

HBR's Law Department Survey measures the growth in total compensation across all attorney levels, as well as the three components that comprise it: base salary, cash bonuses and long-term incentives. All four saw growth over the past year:

- **Total compensation:** Total compensation increased by an average of 3.5 percent, down slightly from the 2016 results, which saw a 3.7 percent increase.
- **Base salaries:** Base salaries rose 3.2 percent year-over-year, down slightly from the 2016 results, which found a 3.3 percent increase.
- **Cash bonuses:** Cash bonuses increased by an average of 8.5 percent, which is down from 9.7 percent last year.
- **Total cash compensation:** The average increase in total cash compensation (base salary plus cash bonuses) for all attorney levels was up 3.2 percent, a slight decrease from the 3.4 percent increase in 2016.

"Nearly half (43 percent) of organizations are reporting an increase in in-house attorneys to accommodate growing workloads," Chung added. "As law departments continue to lean on internal legal staff, they need to be competitive and align compensation packages with industry benchmarks tailored for the in-house market."

About HBR Consulting

HBR Consulting (www.hbrconsulting.com) delivers advisory, managed services and software solutions that increase productivity and profitability, while mitigating risk for law firms, law departments and corporations. As trusted advisors with deep industry experience, clients partner with HBR to achieve significant, sustainable results.

About the Survey

The annual HBR Law Department Survey is the leading source of benchmarking data for U.S. and global law departments. It gathers and reports key qualitative and quantitative metrics that assess and benchmark law department performance. The Survey, now in its fourteenth year, continues to grow its participant base and expand its focus on global legal function management. The 2017 Survey includes a total of 300 participants representing over 20 industries.

The HBR Compensation Survey contains detailed information on base salary, cash bonus, target cash bonus, long-term incentives, total cash compensation and total compensation for all staff levels in the law department. Unique among law department surveys, HBR Consulting's Survey focuses on larger law departments, includes both global and U.S. law departments and emphasizes data consistency and rigorous quality control procedures. For more information about how to purchase HBR Law Department Survey reports, visit www.lawdepartmentsurvey.com or call 215.628.3409.