



IN-HOUSE COUNSEL SURVEY RESULTS

2022

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About the Survey

Leopard Solutions embarks annually to understand the current landscape and market of general counsel attorneys - answering questions surrounding salary, job satisfaction, and the use of outside counsel.

The goal of the Leopard Solutions In-House survey is two-fold. We aim to understand the attorneys who work within corporate legal departments, including their compensation, their satisfaction with their current work environment, and the likelihood that they'd return to a law firm. We also want to key in on factors such as how they perceive their organization's commitment to diversity.

Further, we want to highlight what is most important to general counsel in terms of hiring outside counsel.

These revelations can provide law firms with valuable insights into their clients' needs and help drive internal discussions surrounding business development and client retention.

Lastly, we want to marry the rich data found throughout the Leopard Solutions database with the data from this survey to paint a more vivid picture of the current in-house landscape and market trends. The Leopard Solutions data used in this report comes from our In-House database that tracks over 78,000 corporate attorneys at over 6,200 corporations across the US.

In this report, you'll find the analysis of the survey, key insights from in-house counsel, and data from both the survey and the Leopard Solutions database.

About Our Respondents

We surveyed 473 in-house counsel attorneys about their compensation, satisfaction, and how they evaluate outside counsel.

We surveyed more than 470 in-house counsel attorneys to understand the current compensation landscape, job satisfaction, and what factors are most searched for in hiring outside counsel. Below, you'll find an overview of who we spoke to, what industries they work for, and the types of law that they practice.

DEMOGRAPHICS

Our survey respondents skewed slightly male (52%), and three-quarters identified as white/caucasian. Our Leopard InHouse database numbers match those demographics almost exactly. Our database currently holds nearly 79,000 attorneys across 6,200 companies.

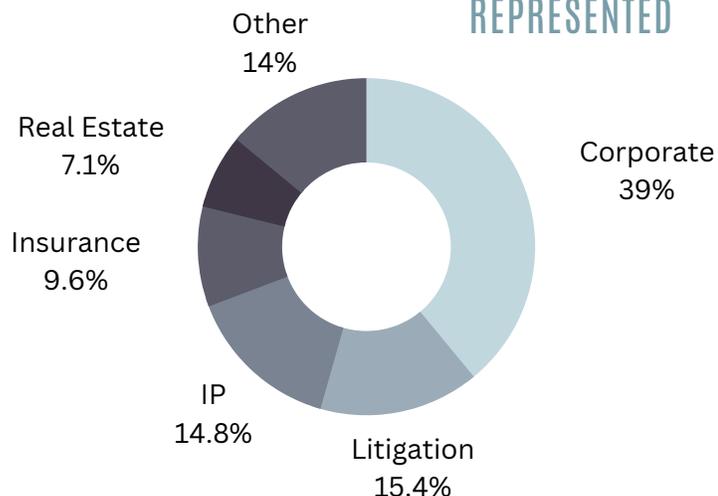
40% of respondents received their JD between 2001 and 2010, and 32% between 1981 and 2000. They were evenly distributed across the US, and the most-represented practice areas were corporate (30%), litigation (12%) and IP (11%)

Nearly a quarter (24%) of our respondents held the title of "Senior General Counsel" while 21% identified their title as "Attorney." 17% are associate general counsel, and 14% are assistant general counsel. The tenure of our respondents was also varied, with a quarter of respondents having been in their positions for 1-3 years, 4-7 years, or 10+ years.

INDUSTRIES REPRESENTED

The industries in which respondents worked varied. 17% work in healthcare/pharmaceuticals/biotech, and 12% in manufacturing. Software/internet/tech, financial services, and insurance each represented 11% of respondents.

PRACTICE AREAS REPRESENTED



ORGANIZATIONAL AND LEGAL DEPARTMENT SIZE

75% of respondents work at companies with revenue in excess of 1 billion dollars. 62% of the organizations have 5,000+ employees. The size of the legal departments, though, varied. 29% had departments of more than 100 attorneys, while 25% had only between 1 and 10, with a sparser representation of legal department sizes in the middle.

WORK STRUCTURE

Nearly all of the respondents (98%) are full-time employees at their organizations.

We know that remote work is becoming more and more appealing to workers across industries. In fact, according to a recent [research study](#) conducted by job search site The Ladders, by the end of 2022, 25% of professional jobs in North America will be remote.

It appears to be a draw for in-house attorneys, as well. 34% of our respondents indicated that their position is remote. An additional 52% have the flexibility to work remotely when needed.



Of respondents work at organizations with revenue in excess of 1 billion dollars



Of respondents work at organizations with more than 5,000 employees



Of respondents work in legal departments of more than 100 attorneys

A recent study of in-house counsel attorneys by Axiom (their sample consisted of 300 US in-house counsel working at organizations with a minimum annual revenue of one million dollars) cites 36% of attorneys who have re-evaluated their career in the past two years place more importance on the ability to work remotely.

34%

Of respondents work remotely

COMPENSATION

When asked about total compensation, 38% of respondents brought home between \$200-300,000 annually.

According to a recent study published by Major, Lindsey, and Africa regarding in-house counsel compensation (they surveyed more than 3,300 attorneys), the average total compensation ranged from \$180-578,000.

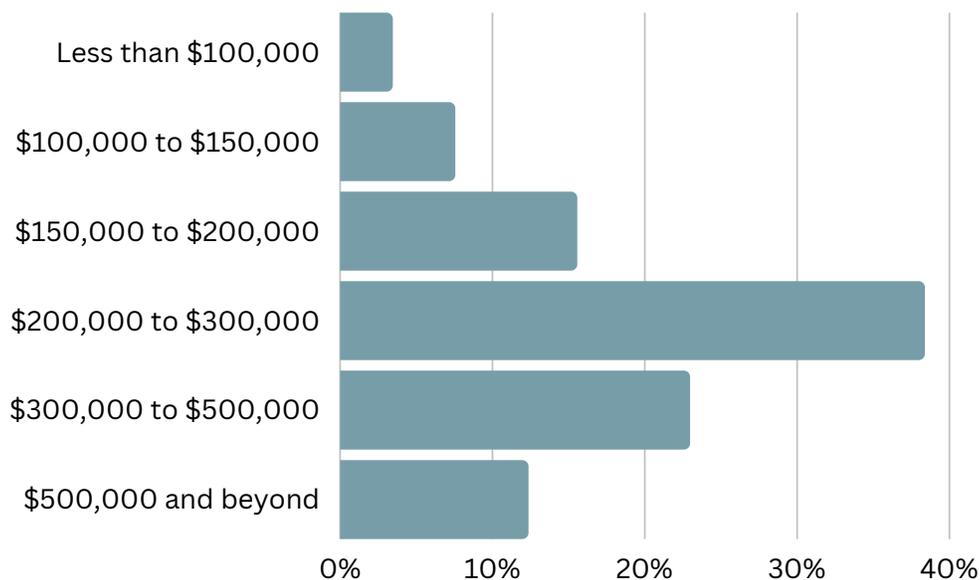
If we look only at Senior General Counsel and General Counsel respondents, they represent about 34% of respondents. They either fall into the \$300,000-\$500,000 bucket or the \$500,000 and beyond.

According to the MLA InHouse Compensation Survey, companies over one billion dollars should be compensating at a higher rate than what was seen in our survey.

Regarding financial benefits beyond salary, 97% of respondents receive a yearly bonus, 94% have an employer-matched 401k, and 53% receive stock options. 20% indicated that they are offered profit sharing.

14% of respondents indicated that they receive other benefits, including restricted stock units (RSUs) and employee stock purchase programs (ESPPs), and pensions.

Respondent Total Compensation



A Look At In-House Life

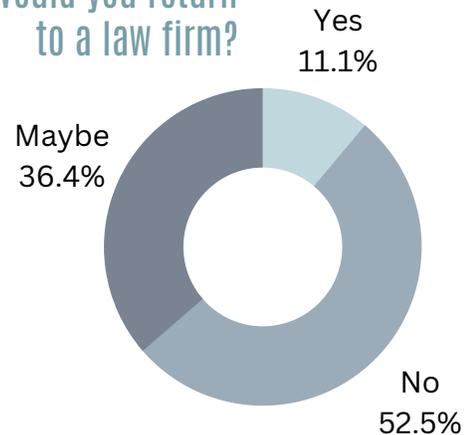
How happy are in-house attorneys? And would they return to law firm life?

Some of the echoed refrains regarding why attorneys seek in-house roles instead of working at a law firm are improved work-life balance, escaping the billable hour, and the ability to focus on the work rather than building their book of business.

Is the grass greener on the other side? 76% of respondents indicate that they are either satisfied or very satisfied with their work-life balance. Satisfaction with advancement opportunities is slightly more varied, however, with only 52% reporting satisfaction. Finding ways for in-house attorneys to grow within their organization may be an opportunity for corporations to hang on to their talent.

80% of our respondents have worked at a law firm, meaning they've been on both sides of the blade. 52% of our respondents firmly

Would you return to a law firm?



state no, that they would not return to a law firm. 36% indicated "maybe." Many respondents provided further details through write-in responses.

"In a law firm context, you are worth your time. You go into your glass cage and bill 14-15 hours a day, then go home and do it the next day. There's so much more emphasis on the intrapersonal aspect in an in-house role. It's incumbent on you to build relationships."

- Adam Mortillaro
Senior Corporate Counsel, Iridium

A number of factors were frequently cited in the responses, including the elimination (or lowering) of the billable hour and improved work-life balance. One respondent shared, "I would consider returning to a firm with low or no billable hour requirement and more control over the types of clients I am working for, so I could have a better work-life balance."

Most of the attorneys who leave in-house positions, though, don't simply return to law firm life. In fact, 78% of attorneys who leave one corporate legal position move to another in-house position.

Other respondents echoed that

sentiment, stating that having to build their own practice and meet billable hour requirements felt unsustainable and vowed not to return to that life.

However, some candidates showed a willingness to return to law firm life if the price was right. One respondent shared that they would consider returning to a law firm if "pay increases outpace corporate in-house salaries sufficiently, and quality of life in-house does not improve."

We received 309 write-in responses related to returning to a law firm and these were some of the words that appeared most frequently.

What would make you consider returning to a law firm?

Lots money^{management} greater^{much} **low billable hour** ^{control} salary benefits^{level}
reasonable^{partnership} **work-life balance** ^{structure} law firm ^{Lack opportunities} interesting
Flexible hours **billable hours** ^{work remotely} flexibility ^{right offer} opportunity ^{pay work-}
life balance **billable hour requirements** ^{type} money ^{partner} firm ^{ability} work
life balance ^{reduced} **compensation** ^{increase} work ^{legal} **Nothing** ^{Lack}
salary ^{balance} in-house ^{better work-life balance} pay ^{part time} right ^{last resort} Better
depend opportunity **hours** ^{High pay} role ^{less} clients ^{need} job ^{culture} time ^{schedule} **Better work life**
^{returning} requirements ^{higher} position ^{people} options remote work

One candidate shared, "this last year, our employer gave attorneys a 3% raise in the face of 12% inflation. If that happens again, I may retire here and go to work for a firm."

There were two groups that may feel the financial divide the most keenly. It looks like money is a consideration. The age groups most likely to return to law firms are the 25-30 age group for both years 2021 and 2022. The 31-35 age group went up in law firm percentage but down 2% in the Top 200 grouping.

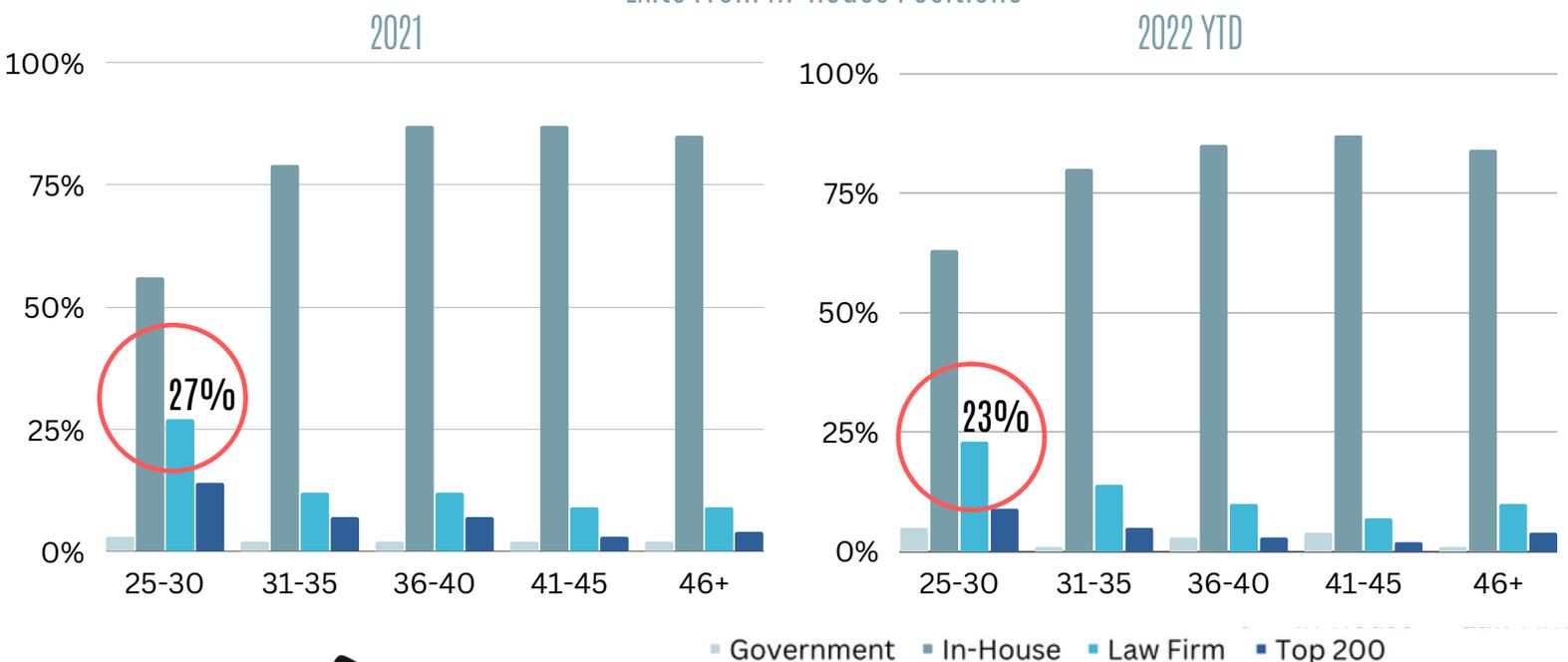
Most of the attorneys who leave in-house positions, though, don't simply return to law firm life. In fact, 78% of

"I never want to have to bill in 6 minute increments again."

attorneys who leave one corporate legal position move to another in-house position.

A recent in-house study conducted by Axiom pointed toward similar

Exits From In-House Positions



sentiments. In fact, 42% of their survey respondents indicated that they are not completely satisfied in their current position and cited stress and burnout from a lack of work-life balance. Additionally, their respondents shared top complaints of repetitive tasks, work not being aligned with the organization's objectives, and administrative burdens.

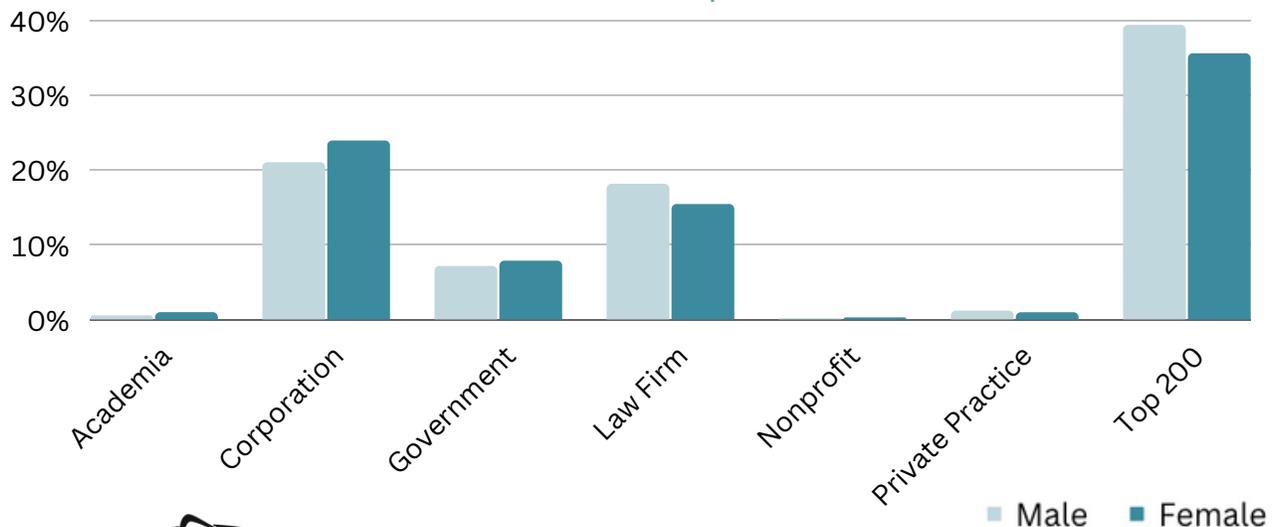
Some respondents to our survey cited similar concerns, stating that they needed more team resources. There are lessons to be learned for law firms and corporations alike. For corporations, offering competitive pay, ensuring sufficient resources are available, and providing advancement opportunities may be key.

For law firms, work-life balance and alternative pay structures may be essential to continue attracting and retaining talent. As we saw in our

Women Leaving Law study and again here, the billable hour is a key point of contention with attorneys, and as new generations of talent enter law firms, law firms are finding that gen z and millennials are often not willing to trade their work-life balance for partnership. The model must change.

We recently released a study that discussed the reasons behind women leaving big law. We wanted to understand where they went after they left a top 200 firm. We found that 64% of women who leave a Top 200 firm do NOT return to one. One lesser-known statistic, however, is that 60% of men who leave a Top 200 return do not return either. The chart also illustrates that a significant portion of those exiting associates are entering corporations (23% for women and 21% for men). Simply put, attorneys of all genders are leaving law firms and going in-house, and one of the major drivers for that is work-life balance.

Associate Exits from Top 200 Firms



“I went in-house for the same reason a lot of people go in-house initially. I had a young child at home, and I would sit at my desk at the law firm and think, ‘I’m the worst mother who ever lived,’ and I would go home and sit with my child and think, ‘I’m the worst lawyer that ever lived.’ And there was this part of me that just never felt like I was living up to my potential in any part of my life, so I made the decision to go in-house in search of a better work-life balance and for a more fulfilling life.”

- Mary Marbach, General Counsel & Corporate Secretary at Savant Sciences Inc.

PROFESSIONAL DEVELOPMENT AND CAREER ADVANCEMENT

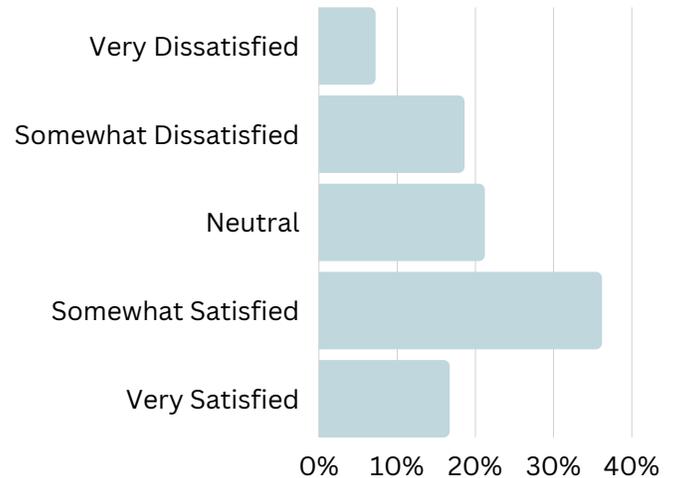
Despite nearly half of respondents, 47%, citing neutrality or dissatisfaction regarding room for advancement, by and large, most (82%) felt that their organization invests in their professional development.

Axiom's study also indicated concern for career advancement. 78% of their respondents felt that they would need to change employers to advance their careers.

How important is the opportunity for advancement? When looking just at those who cited dissatisfaction with advancement opportunities, only 43%, a full 9% less than the general sample, stated firmly that they would not return to a law firm, 17 percent (6% more) said that they would return to a law firm, and 39% said that they would consider it. The billable hour, though, seems to remain the biggest deterrent. Interesting to note, 34% of those who cited dissatisfaction had been in their role for more than 10 years.

Axiom's study also found that amongst those who have reevaluated

How satisfied are in-house attorneys with career advancement opportunities?



their career in the past two years, 35% found professional development opportunities to be of greater importance than they were in the past.

Similarly, the Axiom study also noted that 28% of those respondents felt their position didn't offer a clear career path.

This area seems to be one that corporations should look for solutions and ways to help attorneys see their trajectory within the organization and as an individual attorney.

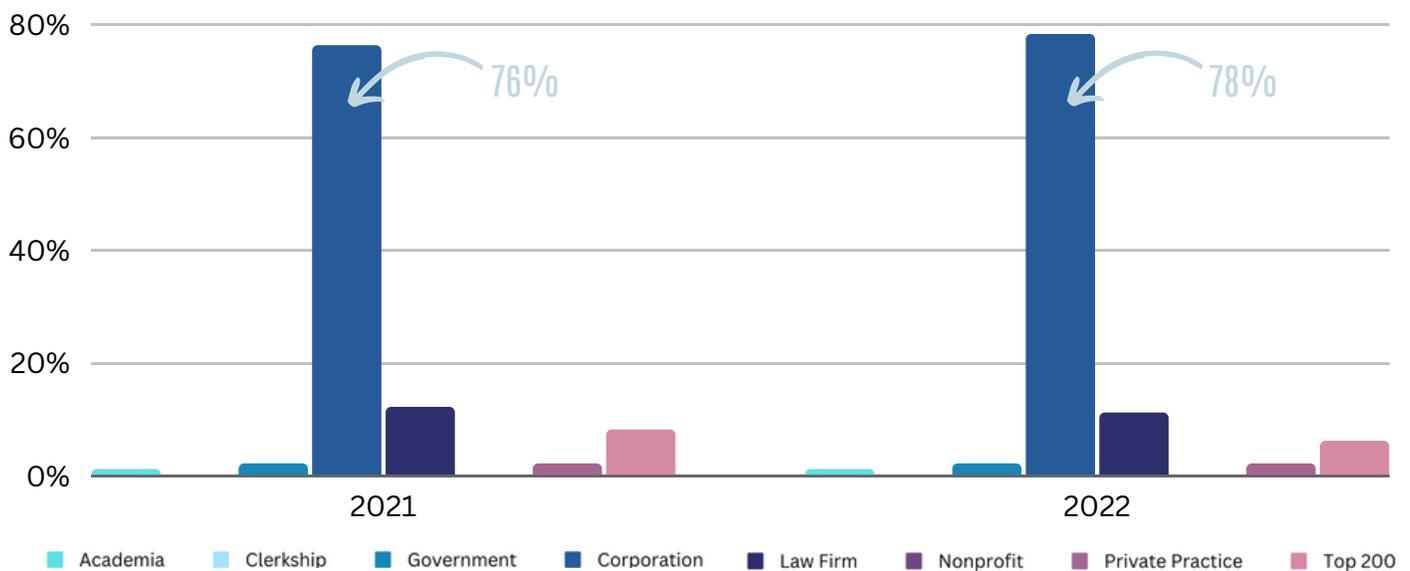
This chart is looking at attorneys who left their InHouse company and tracks where they went upon their exit. Most attorneys (78% in 2022), where the information was available, went to another in-house role. A small portion joined a law firm outside the top 200 (11%), and an even smaller portion went into a top 200 firm (6%). The percentage going back into law firms has dropped- just 1% for law firms under the top 200 and 2% for firms in the top 200.

This suggests that even though in-house attorneys may not feel entirely satisfied in career advancement opportunities, most rejoin another corporation in hopes of advancing.

"In-house lawyers are looking for certainty about career progression. It's our job as leaders of legal functions to make sure that we're thinking about that as we're building our teams and making sure our team members understand what that progression looks like," shared Marbach in a recent Leopard Solutions webinar. "I think sometimes corporate leaders don't understand how valuable lawyers can be even in other departments."

If corporations want to retain their talent, perhaps expanding their lawyers into other departments might provide the mobility and career paths they're looking for.

In-House Attorney Exits



COMMITMENT TO DIVERSITY

Corporations have been in the driver's seat when it comes to law firm diversification- demanding that firms provide opportunities to under-represented groups and give proper credit to those working on matters.

Leopard Solutions has reported extensively on the strides law firms have taken in recent years and how much of an impact those strides have had on law firm diversity.

We also wanted to investigate how respondents perceive their organization's commitment to diversity and inclusion. 46% of all respondents felt that their organization is committed to diversity, while 10% neither agreed nor disagreed, and 10% felt that their organizations were not committed to diversity.

“Diversity is at the forefront of everyone’s hiring needs. It’s good to see that it’s finally being put at the front of searches, but there is still a lot to be done. I am hopeful that it will continue to rise and trend in the right direction.”

- Jennifer Pettigrew Tuesta
Partner - Head of In-House Attorney Recruitment
Page Executive

It's important to dive deeper into this data and hear the voices of diverse attorneys. The numbers were just slightly lower, with 41% of ethnically diverse attorneys indicating they felt their organization is committed to diversity. A larger percentage (17%) felt that their organization was not committed to diversity.



of ethnically diverse respondents felt their organization is committed to diversity.

The Use of Outside Counsel

How much work is allocated to outside counsel and what are the driving forces in choosing law firm partners?

Nearly all respondents (98%) hire outside counsel. The primary needs, tracking with what Leopard Solutions has identified as the most in-demand practice areas for law firms, are litigation (50%), corporate (17%), and intellectual property (10%).

We also wanted to identify the most important qualities GCs look for when evaluating outside counsel. So, how can firms stand out amongst the competition? The most desirable qualities in outside counsel are responsiveness (87% rate this as highly important) and legal expertise (85% indicating high importance). Respondents also let us know that DE&I remains a top factor in evaluating firms they work with.

They're also looking for true partnership. They look for firms that can provide practical, business-oriented advice, creative solutions, and business and subject matter connections. This illustrates that the ability to leverage an attorney's

One respondent indicated they want to work with firms that offer "true partnership, not just running the meter"

professional history has never been more important. Having a tool like Leopard BI, which identifies meaningful connections from attorneys at a firm into targeted industries or corporations, offers benefits beyond business development; it's a client relationship tool that allows firms to act as a true, strategic partner to their clients and a valuable resource.

Also important to many respondents, as noted in write-in comments, is the openness of their outside counsel to consider alternative fee arrangements and not wanting to feel as though a firm is simply "running the meter."

Additionally, we asked how important the following factors are in choosing outside counsel:

- Longstanding relationships,
- Referrals,
- Mentions in legal guides
- Firm name/ reputation
- Cost

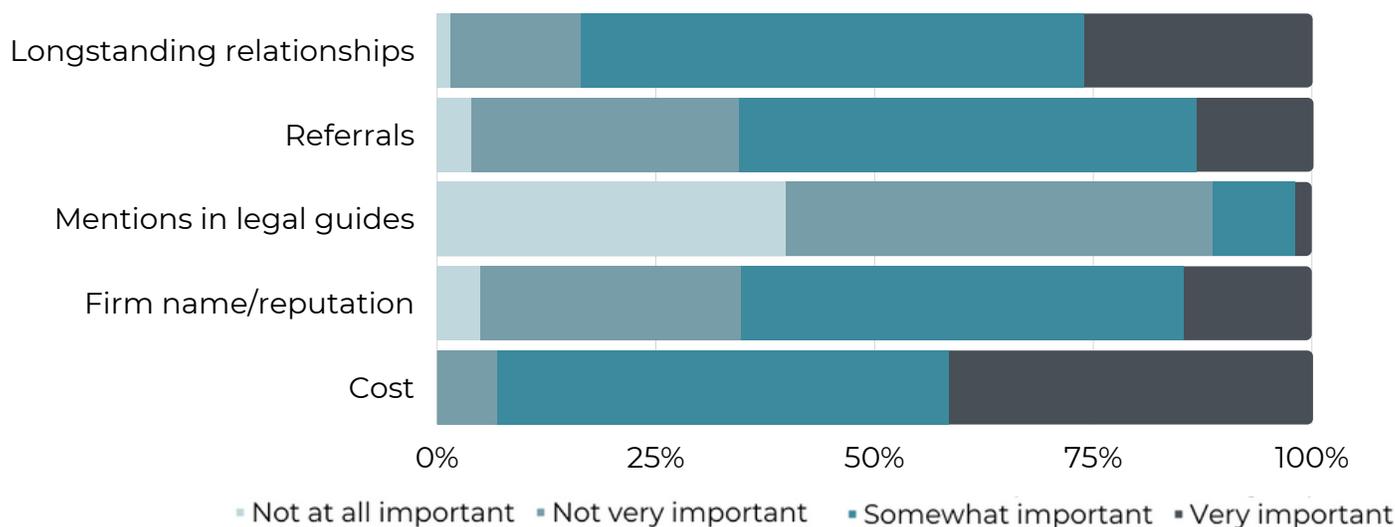
Cost came in as the factor with the highest degree of importance (42% of respondents rated it as very important), while 40% stated that mentions in legal guides were not at all important. Again, respondents added that they look for subject matter experts, firms that can provide business connections, and those who provide clear communication. They also place value on those they've heard speak at industry conferences.

“Responsiveness is certainly a high priority for us. It’s interesting being on the other side of the coin now. You always dreaded client emails when you were in big law because you had to respond in ten minutes or less. But being on the other side of the coin, it certainly has its benefits. There is a hypersensitivity surrounding timing and client needs.”

- Adam Mortillaro
Senior Corporate Counsel, Iridium

While areas such as cost and legal expertise are to be expected, firms can stand out from the crowd by focusing on soft skills like improved communication and adding value to their interactions. Beyond everything else, they're looking for firms that can be a strategic partner and help them in their role and business.

How important are the following factors when choosing outside counsel?



Division of work

Our respondents largely handle 50-100% of their work in-house (82% of respondents). 83% of respondents indicate that up to 50% of their work is outsourced to firms, while less than 25% outsource to alternative legal services providers (ALSPs).

Our respondents don't anticipate that changing over the next year. 74% believe the work they handle in-house will remain unchanged. 71% believe the work they outsource to firms will stay the same, and 83% anticipate no change in what is outsourced to ALSPs.

In fact, more than half of respondents (58%) believe that their legal work needs will remain the same despite any upcoming recessions.

This means that firms need to be inventive and strategic in their business development and client relationship opportunities. One respondent added, "I do not enjoy working with outside counsel who want to keep doing things a certain way because that's how it has always been done."

The firms that stand out will undoubtedly look for ways to provide additional value and partnership in ways such as offering practical business advice, creative thinking, and leveraging attorney relationships to provide meaningful business connections to their clients.



58%

Of respondents believe their need for legal services will remain the same over the next year.

Key Takeaways

01 ————— **In-house attorneys are, overall, satisfied with their work-life balance**
76% of respondents cite being either satisfied or very satisfied with their work-life balance.

02 ————— **A return to law a law firm is unlikely but not impossible**
52% of respondents said they would not consider a return to a law firm, many citing the billable hour and work-life balance as key drivers. However, financial incentives may be enough for some. Similarly, the number of attorneys returning to law firms from in-house positions dropped in 2022.

03 ————— **Corporations should look for opportunities for career advancement**
Nearly half of respondents expressed neutrality or dissatisfaction with career advancement opportunities. This area is key for retention. A lack of opportunity may be driving in-house attorneys to the door.

04 ————— **Overall, corporations seem to be committed to diversity**
46% of respondents (41% of diverse respondents) felt their organization was committed to diversity.

05 ————— **Law firms need to be strategic partners to their clients**
Respondents look for firms to act as a true, strategic partner to and valuable resource. Firms can do this by providing practical business advice, offering innovating solutions, and helping their clients create new business connections.

About Leopard Solutions

Leopard Solutions is a legal intelligence firm providing attorney recruiting data, law firm competitive intelligence, and business intelligence that you can trust.

We deliver the highest quality and in-depth information on the legal market, leading law firms and attorneys with easily searchable products. Our data is updated and verified twice every week so our clients can be confident that the information they need is accurate and up-to-date.

From business development solutions to competitive intelligence to lateral recruitment to our curated and customizable market research reports, Leopard Solutions offers a wide range of data solutions for law firms and legal departments.

Leopard's data and technology are always expanding and improving to ensure market relevance and a competitive edge.

We are a proud WBE organization that has grown into one of the most recognized and trusted legal market data providers in the United States. Leopard Solutions' high level of quality and depth is unmatched in the industry. For more information, visit our website and follow us on LinkedIn, Facebook and Twitter.

For questions about this report or to learn how Leopard Solutions can help your business, contact, Phil Flora, VP of Sales and Marketing at phil@leopardsolutions.com