

## Inhouse Counsel Salaries for 2016

By: Karen Anderson

The weather may be dreary right now, but the forecast for inhouse counsel salaries for 2016 is looking bright. We looked at local and national employment data, as well as our own research, and determined that inhouse counsel salaries for 2016 will benefit from another pay hike.

What is driving inhouse counsel salaries in 2016? Supply and demand. Companies are still looking for ways to bring more of the legal work inhouse and reduce spend on outside legal fees. As a result, inhouse legal departments are growing by hiring more legal talent. However, that candidate pool is also getting smaller. There is a great demand for candidates in highly specialized roles, such as in areas like compliance which law firms don't have a lot of. As a result, this increase in demand makes candidates with these specialized skillset both scarce and valuable, which is driving inhouse counsel salaries up.

What does this mean in terms of numbers for inhouse counsel salaries? Starting salaries for inhouse in the United in 2016 are expected to increase by 2-3 percent overall. We are projecting higher raises for midlevel corporate inhouse counsels at larger corporations (with \$250 million in revenue or more), to the range of \$160,500 to \$217,750 annually, which is also supported by the just-released *Robert Half Legal 2016 Salary Guide*. Of course at smaller companies and for new attorneys, the numbers are a bit lower overall. An inhouse counsel with four years of experience or less working at a small company (less than \$25 million in revenue) is expected to make between \$82,250 and \$112,750 in 2016, which is still quite good, but only a 2.2 percent increase over this year. In short, inhouse counsel salaries in 2016 are on the rise.

These inhouse counsel salary numbers do vary greatly according to cities and regions, industry, and attorney specialization. For instance, the mean average for attorneys (both inhouse and in law firms) in California is \$158,200, while in Florida; the mean average is \$122,020. As for compensation for GC's, with greater responsibility comes greater reward, as the saying goes, and it has proven true for GC's. GCs are taking on more responsible and visible roles, and they are being compensated accordingly. The salary variations there can be much greater as companies are more flexible with GC compensations, but GCs will also be enjoying a salary bump in 2016.

What industries are most generous with inhouse counsel salaries? Those that focus on healthcare, pharmaceutical, chemicals, technology, consumer products, financial services, entertainment, business services, and manufacturing have historically offered more generous compensation. That said, inhouse counsel salary depends on a myriad of factors including the company's need, lawyer's competence, legal department size, and supply and demand. What about in-demand practices? The highest-paid non-GC inhouse counsels are corporate attorney specializing in mergers and acquisitions. The other very in-demand practice areas that pay the most are corporate, compliance, and intellectual property.