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# In-House Lawyer Guide

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## **Introduction**

More and more solicitors are making the decision to move from private practice to an in-house role. One in four solicitors now works in-house with the corporate sector employing the largest proportion. There is more demand for in-house lawyers as companies are outsourcing less to firms, this means that an in-house lawyer is expected to know 'everything about the law' and are therefore given extra responsibilities. In some cases financial concerns have also contributed to the expansion of in-house legal teams. Faced with rising legal costs, general counsel has gained an important role in controlling external legal spend.

The largest group - 14,255 solicitors - work in the corporate field: financial and business services; manufacturing and utilities; retail and wholesale; construction; transport and communications; or media and publishing. A further 9,673 work in the public sector, for the government legal service, (CPS), local government, charities or the armed forces.

## **Moving In-House**

Many lawyers seem to make the decision to go in-house due the prospect of better working hours, lifestyle and no time sheets. However, when choosing to make this career move it is important to be sure that it is the right one for you. The pros and cons of moving from private practice need to be considered and you need to be clear whether working in-house will take your career in the direction you want it to go.

One of the main attractions to in-house is the difference in lifestyle, working in private practice is well known for lawyers being expected to

work long hours and on weekends meaning it can be difficult to maintain a social life outside of work. With an in-house position there is a more regular work flow making it easier to arrange time off and holidays. Although there is an improvement in lifestyle you may still be required to work long hours if the company you join has reduced the amount of work they outsource to firms, as this will place more of a demand on the in-house team.

There is also the appeal of the hands on nature of the work. Being closer to the business means that lawyers will get to see a project through from start to finish rather than simply advising on one aspect of it.

If a lawyer is finding it difficult to make partner at their firm or have decided that partner is not the course they want to take, in-house can provide alternative career progression options e.g. leading to Head of Legal or a Commercial Director position.

It must also be considered whether in-house is where you wish to be for the remainder of your career or whether, in the future, you may want to return to private practice. It can be difficult to return to private practice due to it being more specialised in comparison to the more generalised work of an in-house lawyer. This can increase pressure as you are expected to have a broader knowledge of the law and are expected to work autonomously. It is unlikely that decisions will be checked and you will be less able to receive advice or assistance from an outside department. If you want to specialise on a specific area of law moving in-house may not be the best option for your career.

However moving in-house can be ideal for anyone looking for the possibility of early promotion (this can depend on the size of the legal team), an opportunity to broaden their workload or looking for a better work / life balance than traditionally found in private practice.

### **The Role of In-House Lawyers**

In-house lawyers tend to look after all the legal needs of an organisation; the work will depend on the nature of the business and the size of the legal team. You will be a part of the client's business team promoting the interests of the business, and when the organisation does outsource to another firm you will be responsible for the relationship between your organisation and the firm. In-house lawyers are far more involved in the commercial processes, and often play crucial roles within the business, not only as advisers but also as negotiators and managers, the need for broad commercial skills is greater in-house than in private practice. The majority of in-house roles are advertised to lawyers with 3-6 PQE however there does seem to be more of an increase in businesses considering junior lawyers.



The purpose of an in-house lawyer is to speed up the management decision making, increase management options and to reduce legal risk.

You may need to be prepared to learn as you go as you can be asked to give advice in areas where you lack experience. You may be expected to cross-train and assume larger management roles, as well as providing quick and sound advice on issues that you haven't had much time to research. Some people thrive in these conditions whilst others will become stressed, you therefore need to establish which you are before making the move.

### **Pay and Benefits**

Salaries in-house tend to be around 10% lower than that a private practice firm. Because in-house legal departments are generally small and legal hires relatively infrequent, one of the greatest difficulties is accurately benchmarking your salary both on entry and in the years after you have joined. The salary offered by the organisation can depend on:

- The industry sector (financial sectors pay the highest rate)
- Size of the organisation (market capitalisation)
- Location
- Size of the role
- Specialisation

**In-House Salaries- London:**



**Oil and Gas**

PQE	Min £	Max £
NQ	45,000	60,000
1	50,000	65,000
2	55,000	75,000
3	60,000	90,000
4	65,000	100,000
5	75,000	110,000
6	80,000	170,000
Head of Legal	115,000	180,000
General Counsel	120,000	230,000

**Financial Services: Asset Management:**

PQE	Min £	Max £
NQ	50,000	70,000
1	55,000	80,000
2	60,000	82,000
3	70,000	95,000
4	75,000	105,000
5	80,000	115,000
6	95,000	155,000
Head of Legal	115,000	175,000
General Counsel	155,000	355,000

**Infrastructure**

PQE	Min £	Max £
NQ	55,000	70,000
1	60,000	75,000
2	65,000	80,000
3	70,000	85,000
4	75,000	85,000
5	80,000	95,000
6	85,000	100,000
Head of Legal	125,000	190,000
General Counsel	130,000	210,000

**Investment Banking:**



PQE	Min £	Max £
NQ	50,000	70,000
1	55,000	80,000
2	60,000	82,000
3	70,000	95,000
4	75,000	105,000
5	80,000	130,000
6	100,000	165,000
Managing Director 10+	155,000	255,000



**Retail Banking and Insurance:**

PQE	Min £	Max £
NQ	45,000	65,000
1	50,000	75,000
2	57,000	85,000
3	65,000	95,000
4	72,000	120,000
5	80,000	125,000
6	90,000	125,000
Head of Legal	100,000	175,000
Global General Counsel	130,000	205,000

**I.T and Media:**

PQE	Min £	Max £
NQ	50,000	60,000
1	55,000	65,000
2	65,000	70,000
3	70,000	80,000
4	80,000	85,000
5	82,000	105,000
6	90,000	108,000
Head of Legal	100,000	155,000
General Counsel	135,000	175,000

**Construction, Engineering and Transport:**

PQE	Min £	Max £
NQ	40,000	50,000
1	45,000	55,000
2	55,000	70,000
3	70,000	75,000
4	75,000	80,000
5	80,000	95,000
6	90,000	105,000
Head of Legal	125,000	175,000
General Counsel	135,000	200,000

**Life Sciences:**



PQE	Min £	Max £
NQ	55,000	65,000
1	60,000	70,000
2	65,000	80,000
3	70,000	85,000
4	75,000	90,000
5	80,000	100,000
6	90,000	115,000
Head of Legal	100,000	205,000
General Counsel	135,000	225,000



The lower salaries are usually made up for with bonuses and benefit packages. On average, a private practice lawyer will receive a bonus of less than 5% of their salary compared to in-house lawyers whose bonus is averaged around 30% of their base salary. In-house lawyers often receive a car allowance which can be for several thousand pounds and can be taken as cash. They can also be entitled to private medical, stock options, share save schemes, mobile phones and sometimes perks including season ticket loans and health club memberships.

Due to the better lifestyle and despite the lower salary, once lawyers move in-house the majority do not return to private practice.

### **The Timing of the Move**

As previously mentioned most organisations do not begin recruiting lawyers until they have at least 3 years PQE, most heads of legal view some post qualification experience as helpful and often invaluable. Thus it is generally beneficial to spend at least a couple of years in private practice before making the move. There are also limited roles for those with 6 years plus PQE unless you would be willing to compromise and take a lower-ranking role, however there are opportunities of promotion to Head of Legal or General Counsel. Positions within an in-house legal team can be very competitive.

The number of lawyers making the move from private practice to in-house is likely to continue rising as there are many benefits for doing so

and an increasing desire to reduce outsourcing of legal services by many organisations.

Our consultants at Nicholas Scott have connections with many in-house legal teams including FTSE 250 Companies and major Financial Institutions; they have years of experience placing lawyers with in-house legal teams.

If you would like more information about making the move in-house then please contact Nick Robbins on (+44) (0) 203 865 0196 or email: [nick@nicholas-scott.com](mailto:nick@nicholas-scott.com)

### **Nicholas Scott Limited**

33 Cannon Street  
London  
EC4 5SB

For updates on in-house positions please visit [www.nicholas-scott.com](http://www.nicholas-scott.com) or the Nicholas Scott Company page on [LinkedIn](#).