



Legal Compensation Trends

Covering the Life Sciences Industry

Introduction

The Legal talent market is showing no signs of slowing down and the demand for specialists across pharmaceutical, biotech, and healthcare verticals is skyrocketing.

Despite a hiring pause due to the global pandemic, the Legal market is rapidly evolving in several key Life Sciences areas, allowing for professionals to be a crucial lifeblood and remain highly sought after.

With the spotlight shining on the sector post-pandemic, this has resulted in a highly candidate-driven market with many employers competing for the same talent and candidates typically having multiple job offers on the table at once. Compensation, as always, is playing a large factor and driving career decisions.

This report is a high-level summary into in-house compensation trends within the Life Sciences industry and salary surveys across multiple geographies. We also

cover Big Law compensation trends as it's important to understand this landscape, especially for businesses seeking law firm talent. While we try to be as accurate and granular as possible in this report, compensation ranges and structure may vary widely depending on the size and type of a company. For total compensation, we are accounting for potential equity offerings, stock options, and long-term incentives. We've organized our scales by years of experience rather than title, as titles can mean different things at different organizations. For example – 'Associate General Counsels' at some companies can be senior individuals leading large global teams, while at others it can mean a mid-level individual contributor. For reference, 'median' is the middle 50% of our data collection.



Higher Cost of Living Areas

SAN FRANCISCO BAY AREA / BOSTON METRO AREA / NEW YORK / NEW JERSEY / CHICAGO METRO / DC METRO AREA / SOUTHERN CALIFORNIA / SEATTLE

		Base Salary	Bonus (including stock)	Total Compensation
2 – 5 years	Low end	\$175k – \$200k	10 – 15%	\$200k – \$240k
	Median	\$200k – \$230k	25 – 35%	\$240k – \$300k
	High end	\$230k – \$250k	40 – 50%	\$275k – \$350k
5–10 years	Low end	\$200k – \$220k	15 – 20%	\$200k – \$275k
	Median	\$230k – \$275k	30 – 60%	\$300k – \$425k
	High end	\$280k – \$330k	60 – 100%	\$450k – \$600k
10+ years	Low end	\$230k – \$260k	20 – 25%	\$250k – \$300k
	Median	\$270k – \$375k	40 – 70%	\$340k – \$500k
	High end	\$380k – \$600k	70 – 120%	\$600k – \$1M
General Counsel	Low end	\$275k – \$375k	30 – 50%	\$350k – \$500k
	Median	\$375k – \$700k	70 – 100%	\$700k – \$1.5M
	High end	\$700k – \$2M	100 – 1000%	\$2M – \$10M+

While the cost of living does differ slightly in the locations for this category, we do not feel that there is enough of a difference between these areas to do them separately. Additionally, companies with multiple offices across these areas pay at a similar rate regardless of location.

Lower Cost of Living Areas

DALLAS / RALEIGH METRO AREA / ATLANTA / INDIANAPOLIS / PHOENIX / SALT LAKE CITY / OHIO

		Base Salary	Bonus (including stock)	Total Compensation
2 – 5 years	Low end	\$150k – \$170k	10 – 15%	\$170k – \$180k
	Median	\$180k – \$210k	20 – 30%	\$200k – \$250k
	High end	\$210k – \$230k	30 – 40%	\$250k – \$300k
5–10 years	Low end	\$170k – \$220k	15 – 20%	\$200k – \$250k
	Median	\$220k – \$260k	30 – 60%	\$275k – \$425k
	High end	\$260k – \$300k	60 – 100%	\$450k – \$600k
10+ years	Low end	\$220k – \$250k	20 – 25%	\$250k – \$300k
	Median	\$250k – \$350k	30 – 70%	\$340k – \$500k
	High end	\$350k – \$500k	70 – 100%	\$500k – \$800k
General Counsel	Low end	\$250k – \$350k	30 – 50%	\$350k – \$500k
	Median	\$350k – \$600k	70 – 100%	\$500k – \$1M
	High end	\$600k – \$1M	100 – 900%	\$1M +

Big Law Pay Scales

Associate Year	2022 Base Salaries	2022 Bonuses	Total Compensation
1st Year	\$215,000	\$20,000	\$235,000
2nd Year	\$225,000	\$30,000	\$255,000
3rd Year	\$250,000	\$57,500	\$307,500
4th Year	\$295,000	\$75,000	\$370,000
5th Year	\$345,000	\$90,000	\$435,000
6th Year	\$370,000	\$105,000	\$475,000
7th Year	\$400,000	\$115,000	\$515,000
8th Year	\$415,000	\$115,000	\$530,000

Due to exceptionally high activity across many practice areas, talent retention and attraction is of critical importance to law firms. Compensation is a key mechanism used to drive this. Law firms raised salaries once in 2021 and have done so on multiple occasions so far in 2022. Anytime a firm introduces a higher salary band, most others tend to match in a short time frame. The above scale reflects the most recent announcement.

Candidates looking to leave law firms and move in-house are usually willing to take a pay cut. However, that is not the case for all and we felt it important to provide some perspective if you are seeking candidates with Big Law experience, as they typically have higher expectations than those solely with in-house experience. These salary scales also apply to all geographies. If a law firm is paying their Associates at this scale in New York, it is likely they will pay their Associates at this scale in Dallas. Some firms do pay less in lower-cost areas, however that difference is very small.

Has the increase in law firm compensation had an impact on the market? Yes, it undoubtedly has. We have seen an abnormally high number of individuals move from in-house roles to law firms. Candidates coming from law firms have also had much higher compensation expectations than previous years. Compensation is not the only driving factor for Associates considering new positions, and we still see a tremendous interest in candidates that want to move in-house for other reasons. However, this is certainly an additional factor driving the competitiveness of the current hiring market.

Where this has had the biggest impact is securing junior talent to move in-house.

There is an unspoken understanding that attorneys will have to take a pay cut when moving from Big Law – with the benefit of being closer to the business, attaining a better work life balance, among others. However, attorneys typically expect these cuts to be within a lower range than their current compensation. We observed that junior and mid-level Big Law attorneys have higher compensation expectations than previous years for in-house moves. It can take time for a company to adjust their compensation structure as this doesn't happen overnight, but firms that are nimble and willing to increase their pay will have an upper hand in attracting and retaining junior talent. Today, sign-on bonuses have become more frequent to help alleviate the hit of these pay cuts in the immediate term and help candidates feel comfortable in moving forward.





If you would like to discover more compensation trends that are characterizing the industry, please reach out to the Larson Maddox team: lifescienceslegal@larsonmaddox.com

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