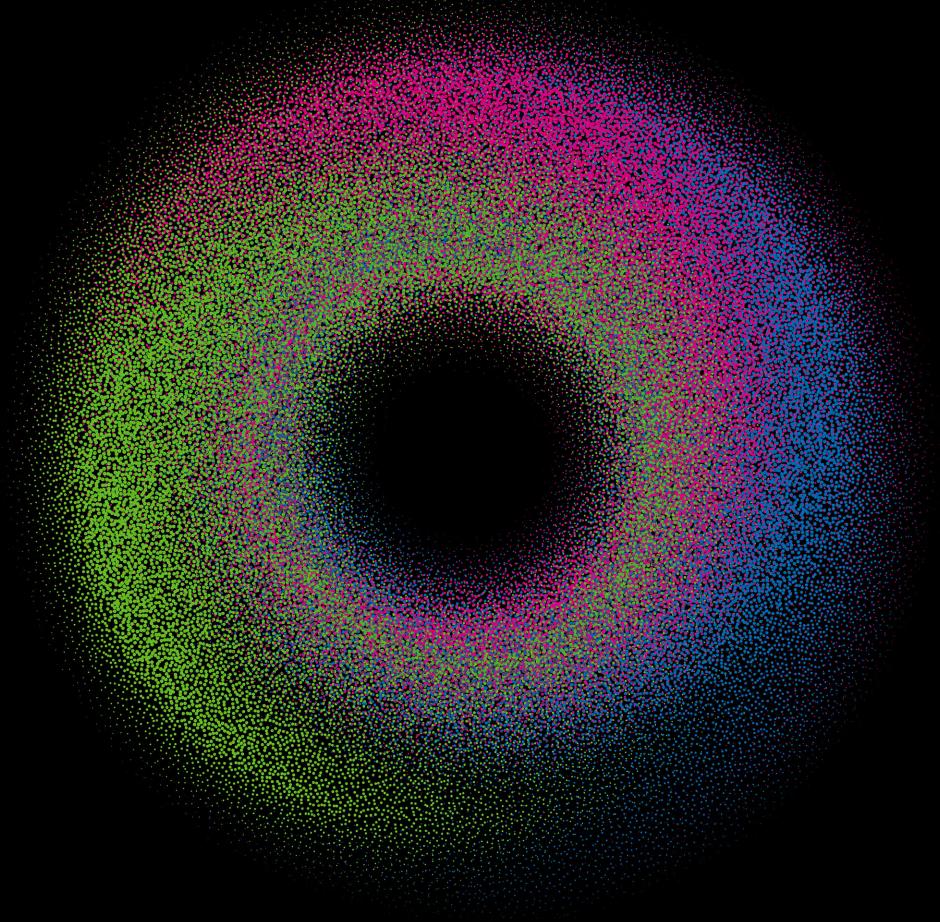
Deloitte.



Taking the in-house counsel experience from good to great

Highlights from the 2023 Legal Talent Survey¹

Elevating the talent experience

Being an in-house counsel is considered by many to be a good job. Could it be better?

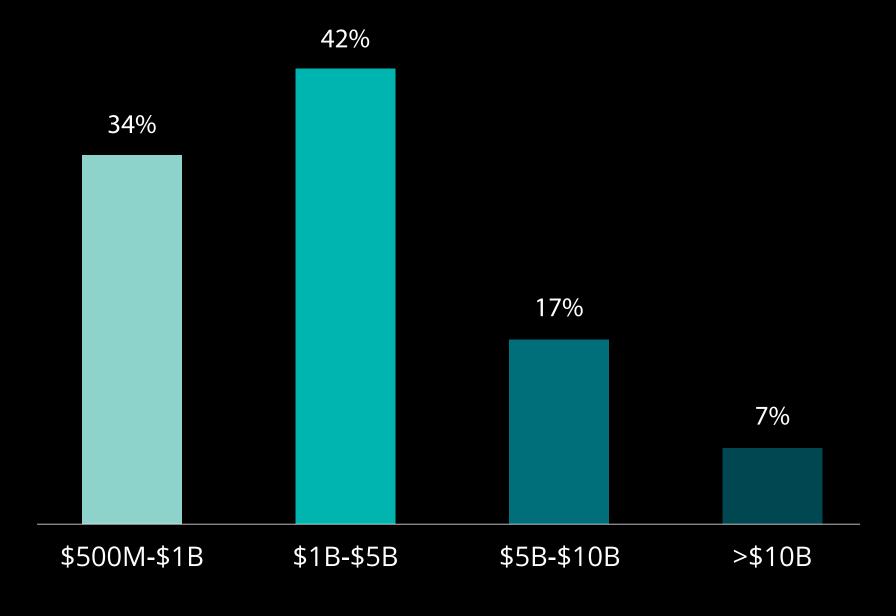
To find out, we surveyed attorneys working in corporate legal departments.

Demographic information



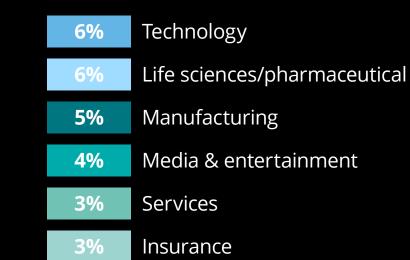
305 total respondents

Annual company revenue





19%	Financial services
18%	Professional services
13%	Other
10%	Real estate
7%	Health care
6%	Retail/wholesale



Elevating the talent experience

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About this data

We wanted to understand the experience of in-house legal talent, as most legal industry research on the talent experience of lawyers is focused on law firm attorneys. Understanding that titles vary greatly from one organization to the next, we looked at the in-house experience using two lenses: First, we explored sentiments according to job titles (as a proxy for seniority within the legal function). Although imperfect, we sought to group titles into three seniority levels: senior level, mid-level, and early level.²

Acknowledging the imperfection of this method, we also looked at data by tenure in the in-house role. We looked only at in-house tenure, which is time spent as in-house counsel in one's current or prior role but not inclusive of time spent in any law firm, government, or non-in-house positions. We also separated tenure data into three categories: senior level, mid-level, and early level.³ We noted that a respondent could be senior by title (a chief legal officer, for example) but early by tenure (having fewer than five or six years of total in-house experience). One could also be senior by tenure, having 20+ years of in-house experience, but junior by title (counsel, for example). Thus, we found it helpful to show data by both sets

of segmentation whenever possible. Throughout the analysis, we note when we are referencing one data set or the other by referring to "job title" or "tenure" data.

The data set includes only in-house counsel who are geographically located only in the United States. All respondents currently have an active law license and work in an in-house legal department in a role for which a law license is required. No industry was represented in large enough numbers to draw meaningful insights relative to industry, and we did not include responses from in-house counsel at organizations with annual revenues of less than \$500 million because we considered that those legal departments were likely too small to provide relevant insights for our purposes.

Finally, while we asked respondents to provide demographic data in hopes of better understanding the experiences of in-house counsel through various demographic lenses, we did not receive sufficient responses from any group to allow us to make any inferences except with respect to differences by gender (as noted throughout the analysis).



The state of talent

Top talent challenges facing legal departments

Reported challenges vary among the groups whether the lens is job title or tenure, but providing effective training was a top-three challenge for five of the six segments. It also rated as the top challenge for the most-senior legal executive (by job title).

"Good training and development opportunities are harder to find the more senior I become," explained Nina, a senior-level in-house attorney in banking and finance. "For substantive area trainings, the areas where my clients need the most guidance are the areas where no black-letter law exists. With respect to leadership development, additional investment in management training is always money well spent, especially when an attorney is shifting from colleague to manager." ⁴

For mid-level executives, there is concern with aging professionals in the function, while the most junior in-house lawyers are squarely focused on well-being. Vanessa, an early career in-house attorney in professional services, values the balance she has in her role. "I like that my work is different and challenging every day, I'm paid fairly, and I also have time for activities that are important to me outside of work."



See how legal executives can adapt in the face of disruption.



Learn about the importance of well-being for effective leadership.



Learn how workforce experience drives loyalty and retention.

	By job title		By tenure	
Senior-level employees	1	Providing effective training/development opportunities	1	Increasing employee well-being
	2	Increasing employee well-being	2	Retention
	3	Managing hybrid work environment	3	Recruiting
Mid-level employees	1	Aging professionals in legal department	1	Providing effective training/development opportunities
	2	Providing effective training/development opportunities	2	Aging professionals in legal department
	3	Managing hybrid work environment	3	Increasing employee well-being
Early-level employees	1	Increasing employee well-being	1	Increasing employee well-being
	2	Increasing employee engagement	2	Providing effective training/development opportunities
	3	Providing effective training/development opportunities	3	Aging professionals in legal department

The state of talent

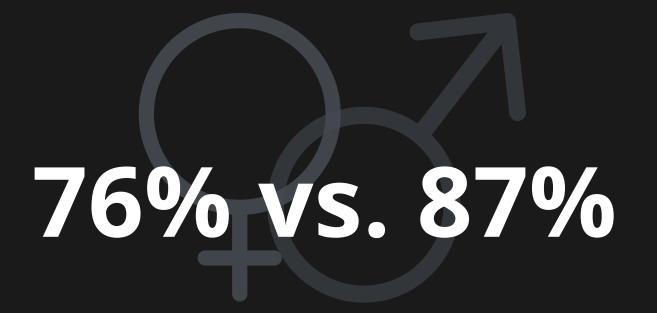
Satisfaction and engagement

Notwithstanding the challenges, 85% of legal department respondents are **extremely or highly satisfied** with their current jobs, while just 70% of workers across the enterprise report satisfaction in their current roles.⁵ Overall, the group noted that their work is **interesting and engaging**, they have **friendly and supportive coworkers**, and they enjoy a **flexible work location**.

The top-rated elements of respondents' current work experience were:

	By job title		By tenure		
Senior-level employees	79%	Opportunities for learning and professional development	83%	Opportunities for learning and professional development	
	76%	Company that makes a positive impact on society	83%	Company commitment to diversity, equity, and inclusion (DEI)	
	74%	Work environment that fosters personal well-being	83%	Flexible work location	
Mid-level employees	88%	Friendly and supportive coworkers	80%	Company that makes a positive impact on society	
	87%	Access to the latest technology	80%	Work environment where I am accepted for who I am	
	84%	Work environment where I am accepted for who I am	79%	Friendly and supportive coworkers	
Early-level employees	84%	Flexible work location	86%	Opportunities for learning and professional development	
	tied at 83%	Supportive supervisor and work that is interesting and engaging	85%	Flexible work location	
	tied at 80%	Work environment that fosters personal well-being, recognition and reward for good work, and flexible work hours	83%	Feel part of a team with my coworkers	

The state of talent



Although the majority of all respondents

noted satisfaction, there were some

differences by gender.

The three most important factors that influence job satisfaction were:

	By job title		By tenure		
Senior-level employees	31%	Opportunities for learning and professional development	33%	Work environment where I am accepted for who I am	
	26%	Access to latest tech and tools	33%	Flexible work hours	
	25%	Flexible work location	33%	Recognition and reward for good work	
Mid-level employees	25%	Work environment that fosters personal well-being	25%	Flexible work location	
	24%	Supportive supervisor and opportunities for career advancement	24%	Access to the latest technology tools	
	22%	Work environment where I am accepted for who I am	23%	Opportunities for learning and professional development	
Early-level employees	26%	Access to latest technology and tools	31%	Work environment that fosters personal well-being	
	25%	Flexible work environment	30%	Access to the latest technology tools	
	24%	Work that fosters well-being	25%	Flexible work hours	

Hiring



of respondents believe there has been higher attrition in their company's legal department since the beginning of the COVID-19 pandemic.



See what legal recruiters tell us about the changing market for in-house legal talent.

Respondents identified the top three most in-demand practice areas to be:



Privacy

Learn more about the legal executive's role in **ethics and technology**.



Intellectual property

Learn more about the legal executive's role in **intellectual property**.



Cybersecurity

Learn more about the legal executive's role in **cybersecurity**.

64%

of respondents have conducted a skills gap analysis.

Respondents identified the top five most in-demand skill sets:



People management

Learn more about **people-focused leadership**.



Willingness to become a subject matter expert in areas of law

"Because it is challenging to find attorneys who have the exact skill set we need to support the business, we tend to hire individuals who have worked in similar environments and demonstrate a desire to learn, and then provide on-the-job training."

-Vanessa



Communications/ public speaking (tie)

Learn more about **Business Chemistry for CLOs.**



Technology expertise (tie)

Learn more about <u>digital business</u> <u>transformation</u>.



Project management



Executive presence

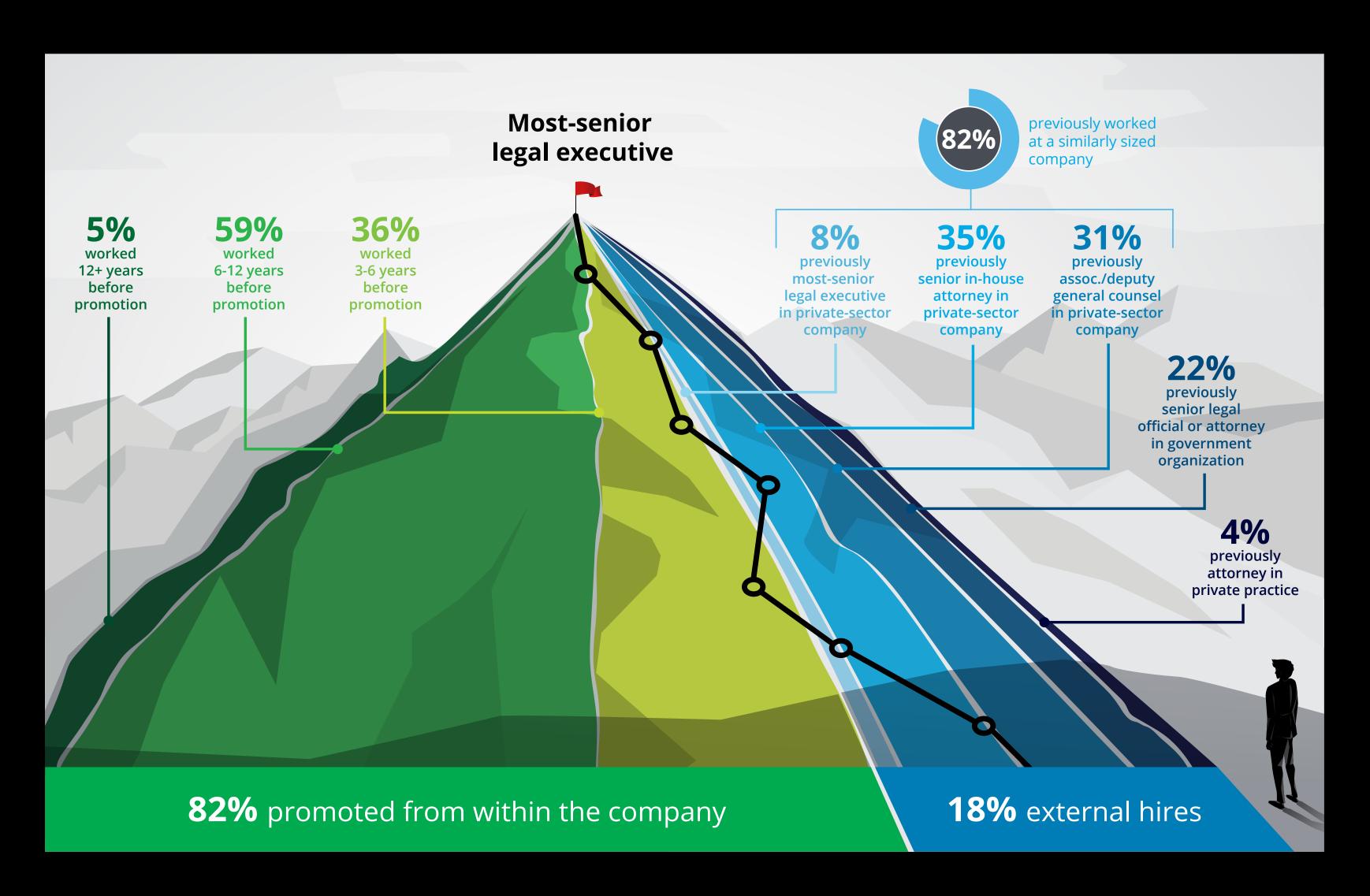
Career trajectories: Looking back

67% vs. 85%

women vs. men

internally promoted to the top

There was a notable difference in the percentage of women who were promoted from within for the most-senior legal executive role versus men. Only 67% of women respondents versus 85% of men respondents reported being an internal hire to the highest legal role.



Career trajectories: Looking forward

Career plans five years from now

When respondents were asked where they would like to be five years from now, startups/early-stage companies represent an attractive option, ranging from 18% to 33% of responses by career segment.

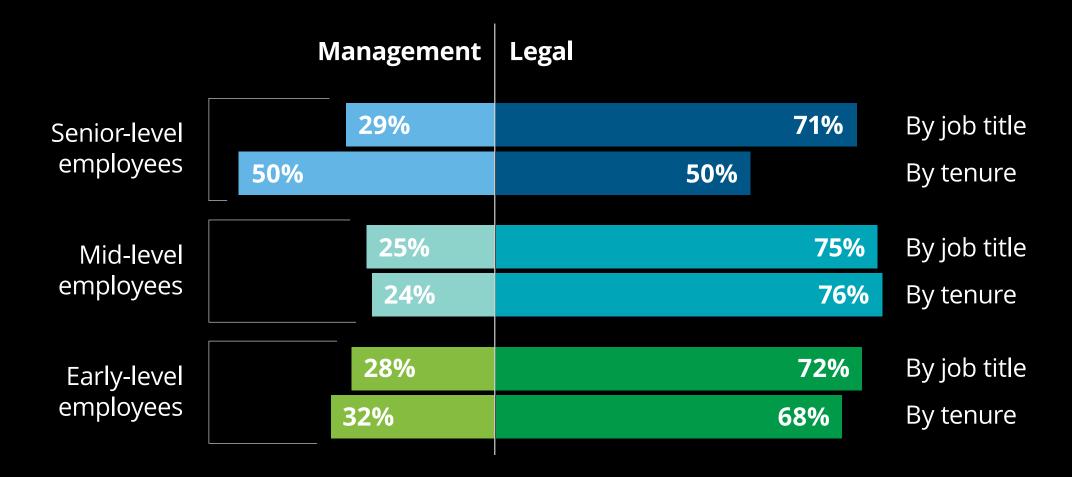
"In addition to the possibility of making a lot of money, startups often lack the hierarchy of large, established organizations," said Nina. "Senior leaders collaborate regularly, and the atmosphere is fast paced, innovative, and exciting. There are often more opportunities for advancement and exciting challenges."

One curious finding was the interest in moving to a different privatesector company. When the data was viewed by tenure, the likelihood of looking outside one's current company decreased as tenure increased. But, when the data was viewed by job title seniority, the senior-level employees were the group most likely to be looking elsewhere.



Career trajectories: Looking forward

Type of position sought five years from now



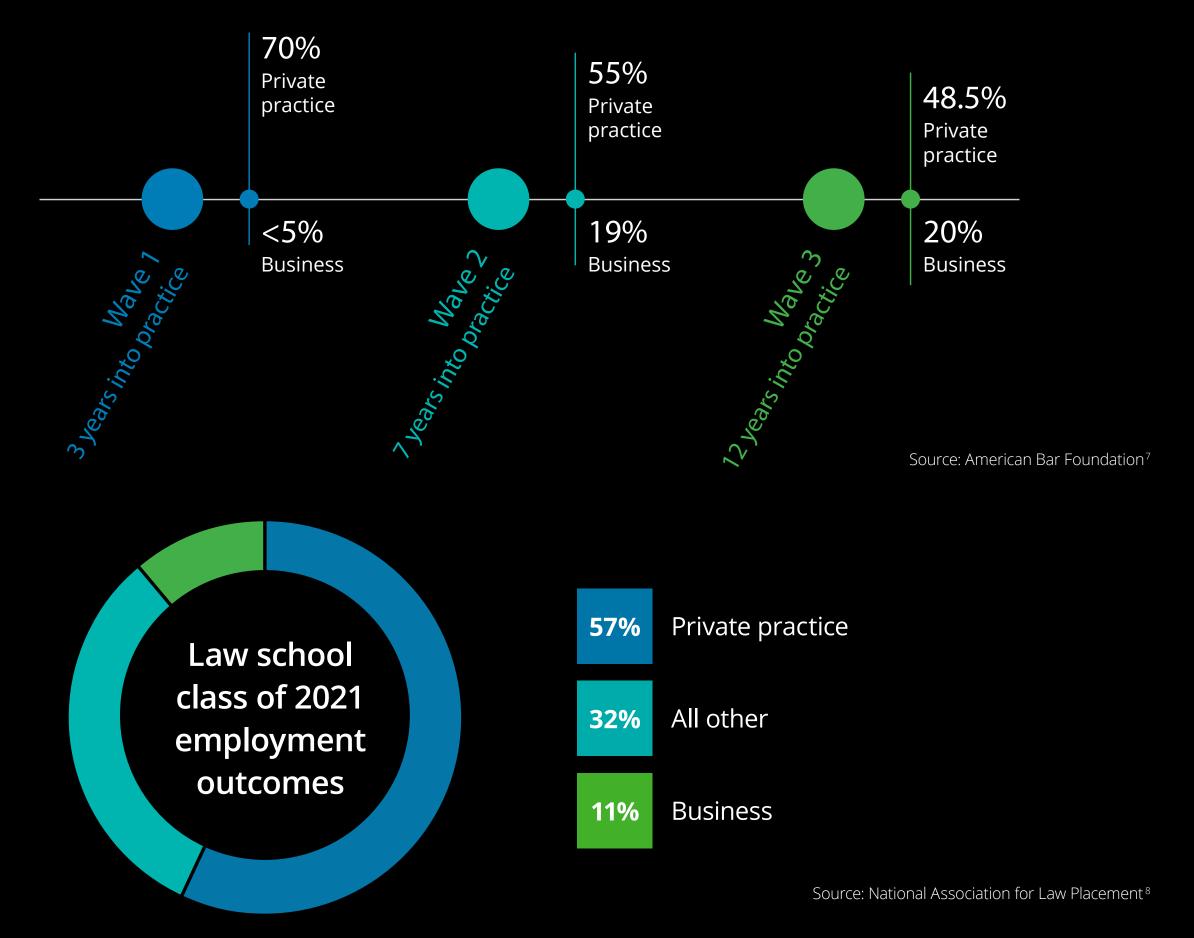
A notable percentage of respondents indicated a desire to move into a management role in the next five years. This mirrors trends noted in other research that reflects a growing number of law school graduates moving into business-oriented, nonlegal roles, both over the course of their careers and as entry-level workers.

(A)

Learn more about how legal executives can contribute to the business strategy.

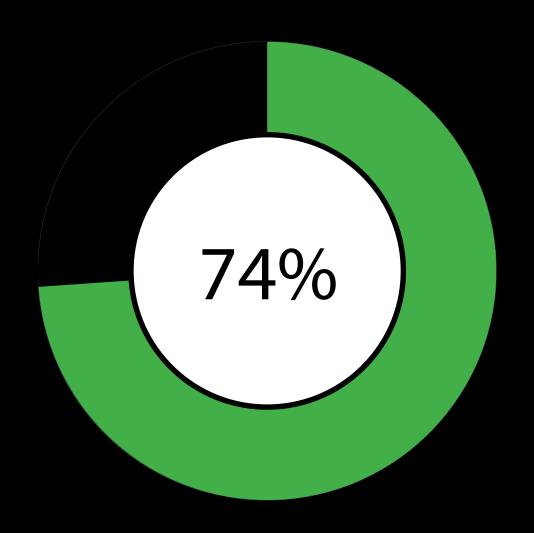
After the JD

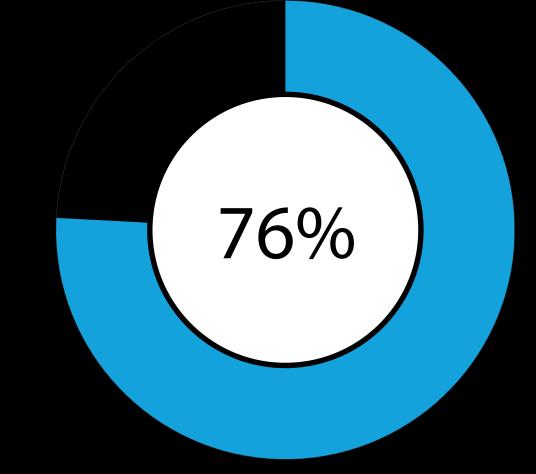
A comprehensive study of post-law school career outcomes.

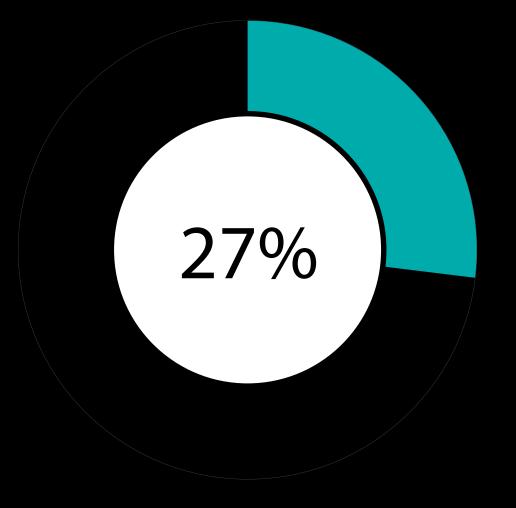


Diversity, equity, and inclusion

About three-quarters of legal executives report increased activity around diversity, equity, and inclusion (DEI) in their company over the last year. These changes are mainly initiated by the C-level executives or full-time DEI professionals in the organization. Some of the key initiatives include adoption of the Mansfield Rule, changing the hiring strategy, and modified key performance indicators (KPIs) to measure DEI initiatives.







of respondents

rate their company's commitment to DEI as **excellent or good**.

of respondents

believe their company devoted more effort and resources to DEI initiatives in the past year.

of respondents

say DEI initiatives are managed by a full-time DEI professional within the legal department.

Where there is no DEI professional, the responsibilities are most frequently held by:

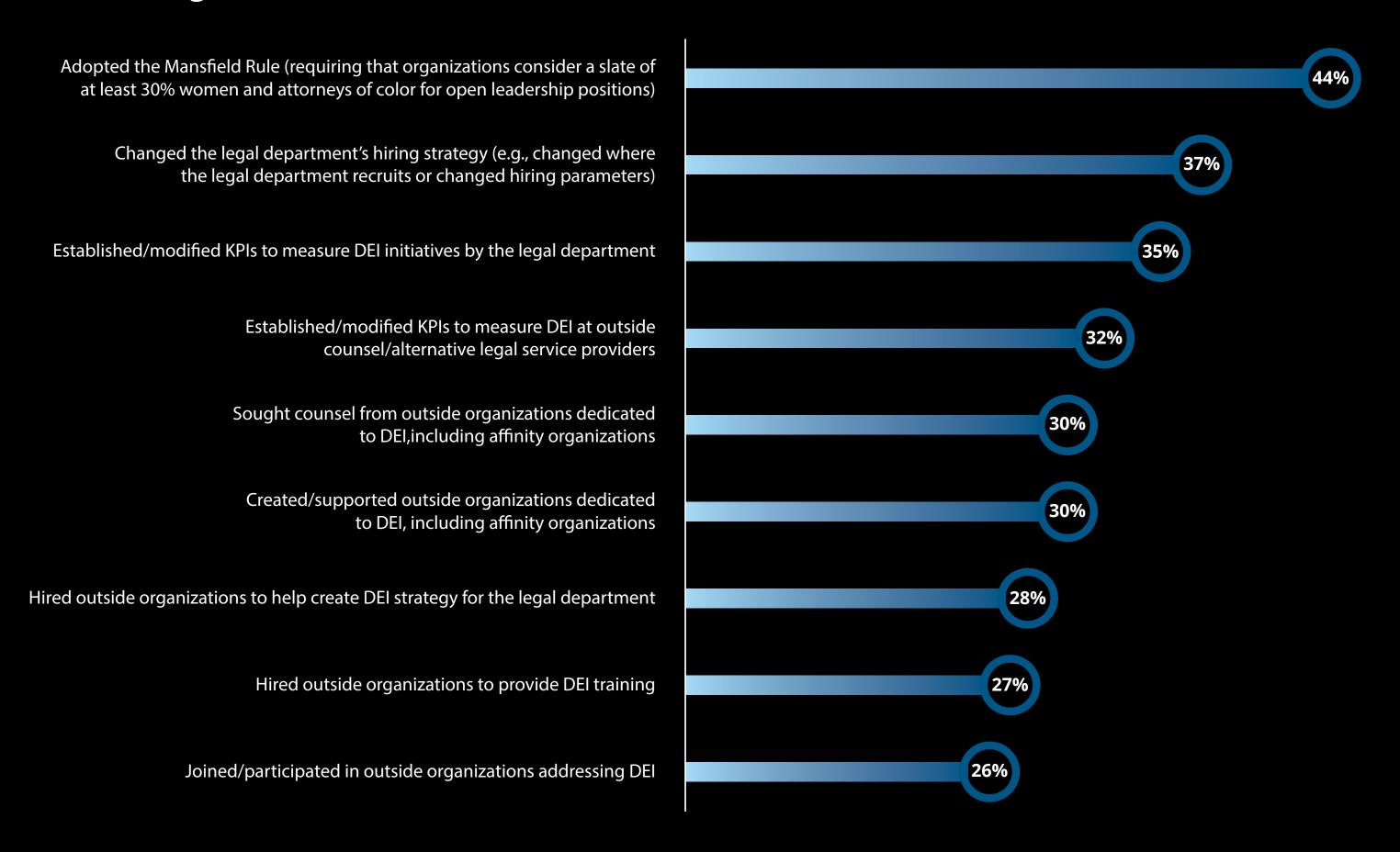
- CLO/general counsel or equivalent title (23%).
- Chief compliance officer or equivalent title (16%).

Diversity, equity, and inclusion



Explore five ways legal executives can help <u>reimagine DEI.</u>

Respondents indicated that their legal functions have employed a range of initiatives in an effort to advance DEI goals.

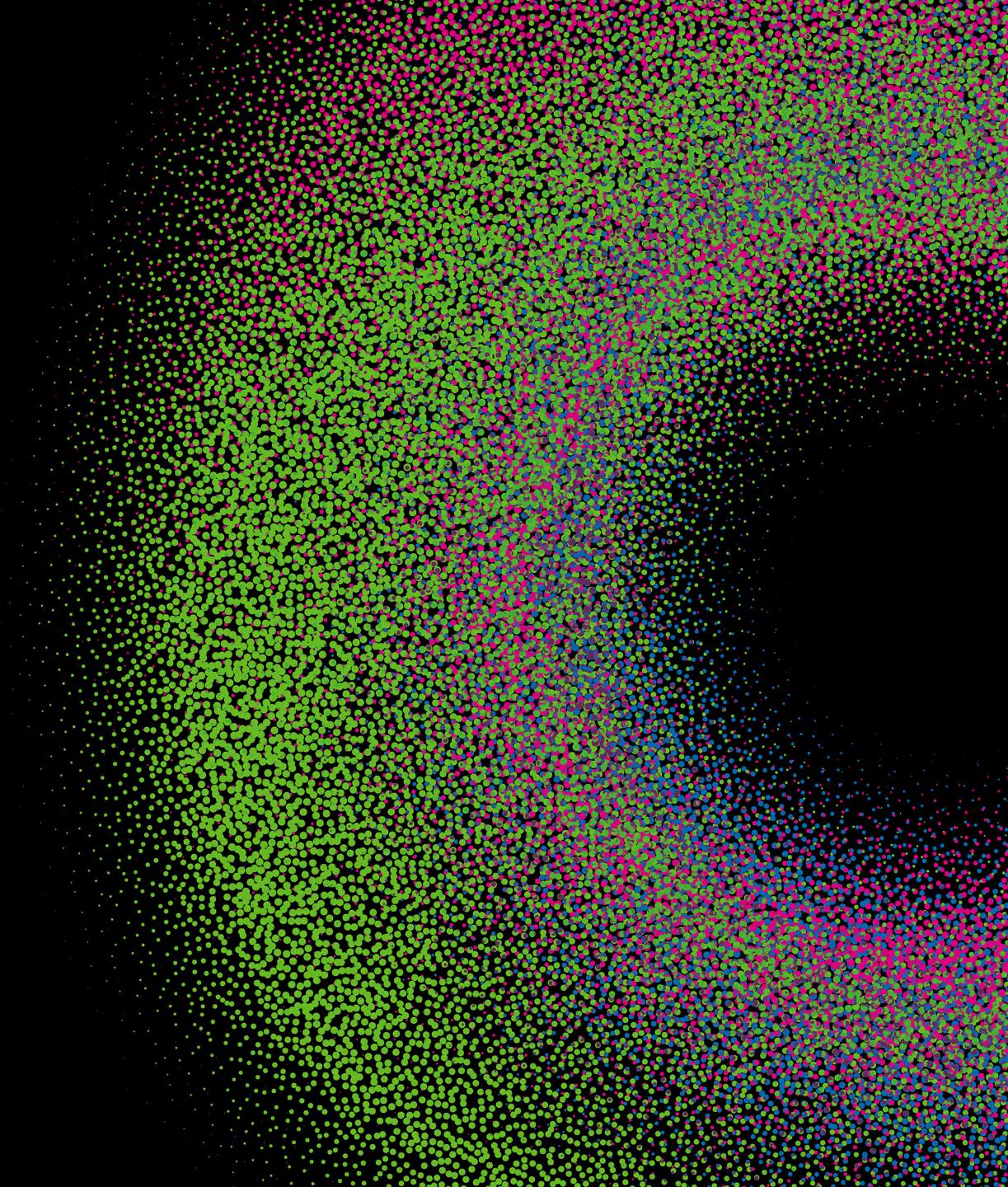


Final thoughts on the in-house counsel talent experience

Overall, the in-house counsel talent experience appears positive, although there are opportunities to improve. For leaders thinking about how best to invest resources in elevating the talent experience, **flexibility**, **technology**, and **well-being** all offer opportunities for enhancement that are attractive to a sizeable segment of the in-house counsel population.

Additionally, give consideration to a thoughtful and strategic **learning** and development strategy that addresses the skills that are required for success in an evolving legal function, including technology and tools; emerging areas of law; and what many consider to be soft skills such as for example, project management, public speaking, and leadership.

Finally, **understanding career paths** for your legal function could provide helpful insights on succession planning and reveal potentially disparate opportunities for women in your organization. To this end, considering a full-time DEI professional could also help to elevate outcomes.



Endnotes

- 1. Unless otherwise noted, all data is derived from the respondents of the Deloitte 2023 Legal Talent Survey, which was fielded online in October 2022.
- 2. All data labeled "By job title" in this analysis is defined as the following: "Senior-level" N = 101; chief legal officer, chief compliance officer, chief counsel, general counsel, executive vice president, senior vice president, assistant vice president, vice president, executive director, and senior director/director. "Mid-level" N = 103; associate general counsel, assistant general counsel, managing counsel, and senior manager/manager. "Early-level" N = 101; counsel, senior counsel, senior corporate counsel, legal counsel, legal staff, contracts attorney, and contracts staff.
- 3. All data labeled "By tenure" in this analysis is defined as the following: "Senior-level" N = 12; greater than 20 years of in-house legal experience. "Mid-level" N = 222; six to 20 years of in-house legal experience. "Early-level" N = 71; under six years of in-house legal experience.
- 4. In addition to survey data, interviews were conducted for additional information. All interviewees have been given a pseudonym and will be described in general, unidentifiable terms.
- 5. Courtney Sherman, "Research shows workforce experience drives loyalty and retention," Deloitte Digital, January 5, 2023.
- 6. "Most-senior legal executive" is defined as the top/highest legal executive at the survey respondent's company.
- 7. Bryant G. Garth et al., *After the JD*, American Bar Foundation, 2017.
- 8. National Association for Law Placement (NALP), <u>Jobs & JDs: Employment and Salaries of New Graduates Class of 2021</u> (Washington, DC: NALP, 2022).

Let's talk

If you have any questions about our findings or would simply like to continue the conversation, please contact us.



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