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SALARY SURVEY: GCs VALUE CAREER OPPORTUNITIES OVER SALARY

ALISON O'CONNELL | 25 November 2019

LACCA's latest research into in-house compensation across Latin America reveals that when it comes to priorities, the majority of GCs value growth as a professional, opportunities for career progression and satisfaction with the culture and work environment over salaries and bonuses.

These days, lawyers working in-house see opportunities for growth as a professional, the ability to ascend the corporate ladder and gain experience outside of the legal sphere, alongside a good work life balance as much more important than the level of compensation when choosing where to work, according to LACCA's research.

Private practice firms can often be a great place to launch a legal career, particularly since young lawyers are exposed to many aspects of the law across various industries and may even receive mentoring from senior associates or even partners. In addition, the compensation packages and perks that come with amassing a list of clients can often be enticing because they tend to be higher than those of a legal counsel starting out in business, but the opportunities for a more varied and unique business and legal experience offered by in-house roles has been attracting more and more lawyers to take

the leap. "Once you move into an in-house role, lawyers know they are sacrificing the financial rewards that come with law firms," says Alejandro Silva-Lujan, former assistant GC at the International Finance Corporation. "What is key for lawyers in corporate legal departments to be satisfied is the culture and work environment ... lawyers need to feel that they are making a real impact on the business and that their work is respected and valued – not necessarily monetarily – by the legal department and the corporation as a whole."

An abundance of opportunity

The role of the in-house lawyer within businesses has changed drastically compared with 10 years ago. Once the provider of legal advice and overseer of ethics and compliance in an organisation, today's corporate counsel need to be commercial advisors, strategic thinkers, forward planners and excellent communicators. Added to this, organisations are keeping more work in-house, which means that on the career development front, there is a greater willingness to train up and invest in junior lawyers, with greater value put on early in-house exposure and commerciality.

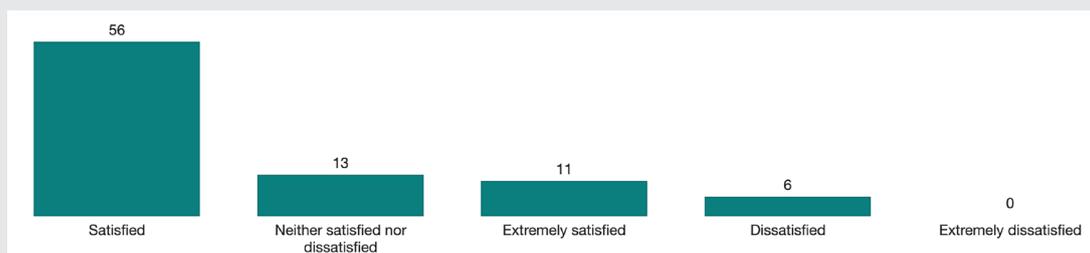
"The in-house role has been changing dramatically in the last decade, it is increasingly challenging and provides invaluable opportunities to become a corporate or business lawyer with a real understanding of how businesses operate and how to really add value in a more broad and strategic manner," says Alejandro Rubilar, managing director at JP-Morgan Chase & Co. "The opportunities an in-house role provides are huge and challenging and shape a lawyer with transferrable skills."

In fact, there was an overwhelming sense among the GCs and recruiters LACCA interviewed as part of the research, that there were far more opportunities for career development in-house than in a law firm, particularly since the pyramid structure of law firms means not everyone can get to the top. "In Latin America in particular, I think that in-house legal departments offer much more opportunity for upward mobility. This is especially true with regard to US or European-based public companies," says Avigdor. "In-house law departments put a high value on teamwork and practical solutions. In contrast, to become a partner at a law firm requires you to develop or inherit a book of business."

Many in the in-house community believe that the many opportunities for career progression also contribute to the level of satisfaction in current roles among in-house counsel. According to our research, almost three-quarters of respondents (67%) were either satisfied or extremely satisfied with their current positions, compared to only 6% that were dissatisfied, while none reported that they were extremely dissatisfied in their roles. "Being an in-house counsel opens up a whole new world of careers," says Fabio Selhorst, GC, chief integrity and compliance officer and communications officer at Brazilian construction giant, Camargo Correa. "As an executive, you get to experience management of other areas not related to law at all. In my case, being in charge of integrity, communications and public relations allows me to aspire to becoming CEO and being a member of more boards of directors. At a law firm, becoming a managing partner is the limit," he says. In agreement with Selhorst, Rubilar adds that the role of a corporate counsel has changed so much that it can no longer be compared with external counsel as both roles are clearly differentiated. "While working in private practice has usually a marked documentary emphasis, the in-house role has a managerial scope."



1) Overall satisfaction with current role



Variety is key

Opportunities to climb the legal department or corporate ladder is clearly a key factor when choosing to work in-house for the majority of lawyers, but so too is the chance to gain experience from a business perspective and operate in interesting commercial environments on a variety of legal issues. Usually, companies will need many varied legal needs met – for example, in any given week, you may have to advise on matters such as employment law related to staff conduct, property law related to leasing or buying premises, copyright law related to the company's intellectual property, or general commercial law related to contracting with third parties for goods or services. There will also be plenty of occasions where the legal team has to liaise with third-party law firms on legal matters that require specialised expertise, so the sheer scope of the in-house role in today's marketplace is one of the biggest draw cards of this type of career.

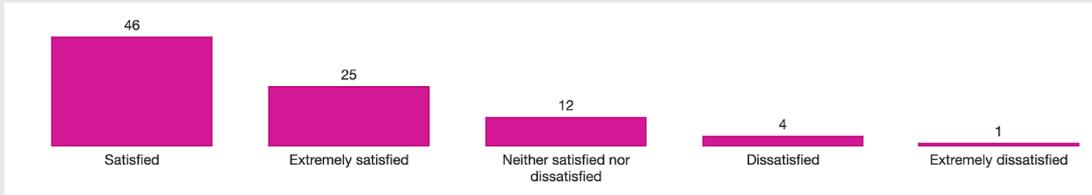
When LACCA asked respondents of this year's Salary Survey how satisfied they were with the challenge and complexity of the work they were undertaking, a whopping 70% of respondents were either satisfied or extremely satisfied with the variety of the work they conducted, while 69% were satisfied or extremely satisfied. "In my opinion, the type of work undertaken or, in other words, the opportunity of being part of a business and the decision-making process is a big draw," says Patricia Barbelli, regional legal and corporate security director for drinks multinational Diageo in Brazil, Paraguay and Uruguay. "As an in-house counsel, you are less an advisor and much more a partner to the business, having the knowledge the business needs to move forward and being a decision-maker."

Working with teams across business units also allows lawyers to gain a broader experience in various sectors outside of the legal sphere, according to Barbelli. "You have to partner with many areas of the company such as marketing, sales and supply team, which always pushes you to be out of your comfort and technical zone, learning about these areas and how to communicate and be helpful to them. It is a constant challenge, which motivates me a lot," she points out.

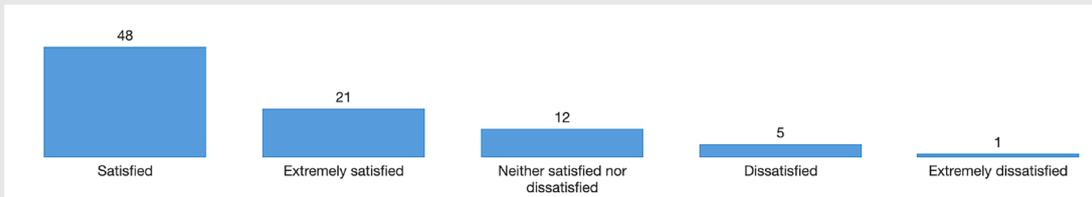
In addition to the more rounded experience, in-house lawyers, including trainees, are often given responsibility quickly in companies, and variety and autonomy are often prime motivators for a move to corporate legal departments. "For me respect, recognition, and responsibility are key," says Silva Lujan. "A lawyer's work needs to be recognised by supervisors, peers and internal clients ... and the lawyer needs to be given responsibility for his or her work, so that they are responsible for it and, on the other side of the coin, accountable for the results."



2) Overall satisfaction with challenge and complexity of workload



3) Overall satisfaction with the variety of workload



While the variety of work undertaken and autonomy in conducting tasks is important, for Alejandro Torrendell, regional general counsel for Latin America at pharmaceutical giant Merck, the most valued aspects of his role is being part of a team and making things happen together. "Compensation and benefits are always important, but the ability to develop as a team together, participation in cross functional or corporate projects, support for career development, empowerment and autonomy as well as opportunities to be challenged and to move outside the comfort zone are all relevant factors when choosing a job," he says. "I believe that as an in-house counsel, I can get more involved in the decision-making process while adding more value to the business and myself."

Working as part of a team to achieve company goals, while also being able to visualise the impact of the work being done is something many in-house counsel pointed out was an important factor for moving in-house. "Many lawyers move in-house because they like being part of a team and working closely with business people from start to finish. Law firm lawyers find it frustrating that they often don't know the long-term impact of their work because clients only call when they need something done," says Major, Lindsey & Africa's Avigdor.

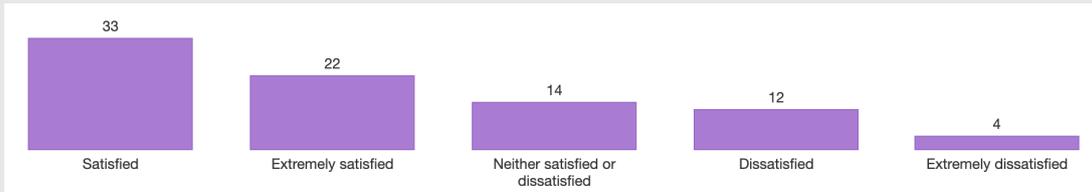
A better balance

Traditionally, it has been said that in a generalised fashion in-house careers offer a better work-life balance and lesser pay, while law firm careers offer poor work-life balance coupled with higher pay. While this may be changing steadily with the increasing strategic importance of the legal department and particularly GCs within companies, many of the respondents LACCA spoke to agreed that the increased flexibility that comes with working within a corporation provides for a better overall balance.

LACCA's research found that overall, in-house lawyers were more satisfied with their flexible working arrangements than their private practice peers. In fact, 64% of GCs were either satisfied or extremely satisfied with their working arrangements, compared to only 42% of private practice lawyers that indicated the same in the survey conducted by sister publication, Latin Lawyer. "We see more and more flexi-time available for in-house lawyers. A lot of the work they do can be completed anytime and anywhere," says Felipe Lavín, executive director at legal recruitment company Idealis. "At a VP or director level, these lawyers might enjoy more vacation days too."



4) Overall satisfaction with flexible working arrangements

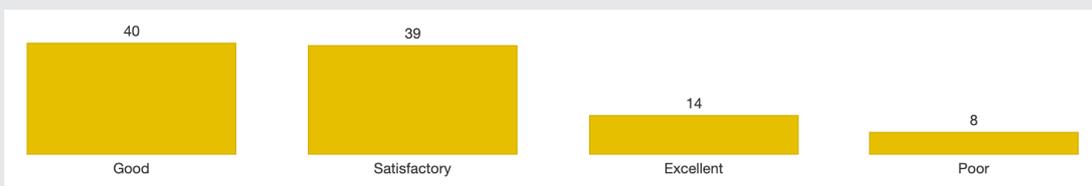


While two fifths of in-house counsel polled by LACCA rarely work on weekends, that proportion drops to a quarter when surveying associates at law firms according to Latin Lawyer. Indeed, lawyers in private practice are expected to put their client's needs first and their personal requirements second, and a heavy workload can sometimes mean that family commitments and social activities might need to be cancelled at the last minute. While in-house counsel will also put the needs of the business first, they are able to do so with more freedom to control their working hours as long as deadlines are met. Added to this, in-house lawyers do not face the pressure of billable hours, and no pressure to do extra social networking to ensure career growth and survival within the law firm, although when a crisis arises in a company they too are expected to put in the hours necessary to resolve matters.

For Mariana Dardengo, principal consultant for Europe and Latin America at Legalis Global, more flexible working arrangements have become one of the major reasons in-house lawyers are often more satisfied with their roles. "I believe it's very important to have a great work-life balance. A good work-life balance for employees can improve staff motivation, increase staff retention rates, reduce absence, attract new talent, and reduce employee stress and probably for this reason they feel more satisfied," she says.

Results from the survey also showed that 54% of in-house counsel rated their work-life balance as good or excellent, while 39% said that it was satisfactory. These figures are in contrast with the results from the survey conducted by Latin Lawyer, where almost a third (28%) of associates surveyed ranked their work-life balance as poor.

5) How in-house counsel rated their work-life balance



More than just the money

While a good work-life balance is important, many respondents also pointed out that working for a company with a good reputation was also extremely important. "The type of company I work for, which includes type of product and services, values and ethics of the company, corporate responsibility reputation, diversity and inclusion and brand reputation, are all priorities for me," says Denise Guillen, VP of legal and leader of integrity for Latin America at Nielsen Company. Jose Jardim, assistant GC at Amazon in Brazil, echoed this point, adding that "a great manager and company that she could be proud of," were key when deciding which company to work for.



Finally, while all of the GCs LACCA spoke to agreed that good compensation packages remain a key incentive when it comes to choosing where to work, the majority agree that when it comes to top priorities and job satisfaction, money doesn't come top. "Although salary and additional benefits are relevant, job satisfaction in-house is triggered mainly by non-monetary compensation factors such as career opportunities, learning experiences, market exposure possibilities, sense of achievement, labour environment, relationship with senior leaders, work-life balance, stability, and related factors," says Rubilar.

In fact, it seems that if it was truly about the money, lawyers would always choose a role in a law firm. "The choices we make depend on what we expect from life and from our careers. So, if one wants to make a lot of money, they will probably join a law firm, or start their own firm," says Valeria Schmitke, Latin America regional GC at Zurich. "For most in-house lawyers, however, money and benefits are not so important as development opportunities, position in relation to the CEO, and growth opportunities. At least in my career I always prioritised those things."

