

Hong Kong Legal Private Practice Salary Survey 2017





INTRODUCTION

The Aquis Search Hong Kong Legal Private Practice Salary Survey 2017 details salary information and recruiting trends in the regions and business sectors we cover. Our information has been researched and collated with the help of our clients and candidates and from our working knowledge of the marketplace. Aquis Search consultants have extensive expertise in their practice area and the information reported is based on telephone interviews with hiring managers, HR professionals and in-house recruiters as well as data extracted from our own extensive database and internal research resources.

As with all reports that detail salary information and trends, we represent the mainstream view and we recognise there will be individual situations that fall outside the data published. This survey is therefore a guide to general movement in the sector. Please contact us for further information or for clarification on any of the compensation trends detailed in this report.

PRIVATE PRACTICE

MARKET OVERVIEW

We have seen some interesting dynamics at work in the legal private practice recruitment market since mid 2016. There is more competition for talent predominantly as a result of the arrival of new law firms. We have also seen a number of alternatively structured firms entering the market which tend to position themselves differently from the traditional law firms. Accounting firms, PRC firms as well as the new business lines coming off the back of traditional firms as well as the alternative business models are amongst those whose expansion is adding to the complexity of talent demand and subsequent talent sourcing.

During the first quarter of 2017, demand for M&A lawyers and finance lawyers has been noticeable, as UK and US law firms increase their capabilities in these areas. Within the HK corporate space, M&A and private equity lawyers have been in the greatest demand, and hiring for IPO lawyers has remained active particularly amongst mid-tier firms. We have seen a similar trend in the US corporate and capital markets, although US securities requirements have slowed down.

There has been little movement between litigation teams and we have not seen as many new requirements to source as many general/commercial litigators as we have in previous years. This is expected to be a temporary situation, and we will see the market begin to move again in the next few months. In lieu of hiring lateral talent, firms have been more heavily reliant on their existing associates, requiring them to diversify into broader areas of litigation, particularly at junior levels.

Banking and finance teams have been actively recruiting legal talent for more than a year now. There is increased competition for the limited talent in this space, and firms are willing to bring lawyers in from outside of Hong Kong and

Asia – demonstrating flexibility in their search criteria such as relaxing language requirements, to secure those with the necessary expertise.

It is a similar story for funds lawyers. Demand has remained steady, and there has not been any particular spike in activity, but there is a shortage of lawyers with funds experience. As well as relocating non-Chinese speaking lawyers into Hong Kong, firms have also taken candidates from other practice areas and offered training to retool them with the necessary skills to fulfill the requirements of the role.

We have also seen firms competing for TMT, shipping, insurance, real estate and competition lawyers, and once again, our clients tend to be more flexible when considering candidates for these specialised practice areas.

Offshore firms’ requirements have surged over the past few months compared with this time last year. A number of offshore teams significantly increased in size in 2016. Some firms found places for a few non-common law qualified lawyers, including just locally qualified as well as US admitted lawyers. This trend has proved short lived. As we move through 2017, due to regulatory changes, most offshore firms have now filled their headcount quota and moved back to more standard requirements for E&W qualified lawyers with at least 3 years of PQE.

In the newly qualified market we often see a notable over supply of candidates entering the market, all vying for the few roles on offer. The roles that do exist tend to be from US firms, without a training contract rotation. Firms that are hiring can be very exacting in their requirements, often only interviewing fluent Mandarin speaking junior lawyers from competing practices of an equal or superior standing in the market.



US Firms

Level	Annual Salary (US\$)
1st	180,000
2nd	190,000
3rd	210,000
4th	235,000
5th	260,000
6th	280,000
7th	300,000
8th	315,000

UK Firms

PQE	Monthly Salary (HK\$)	Average Monthly Salary (HK\$)
Newly Qualified	70,000 – 80,000	75,000
1st	75,000 – 85,000	80,000
2nd	85,000 – 92,000	88,500
3rd	90,000 – 104,000	97,000
4th	92,000 – 115,000	104,000
5th	100,000 – 120,000	110,000
6th	108,000 – 128,000	118,000
7th	115,000 – 135,000	125,000
8th	120,000 – 155,000	138,000

At the other end of the spectrum, partner hiring has been approached with caution so far this year, as the market settles following unprecedented partner mobility in 2016. Having said this, firms are generally maintaining an opportunistic approach, and will be open to approaching partners with an

established following or business that nicely complements their existing offer.

Firms are continuing to place value on PSL roles, particularly in the corporate space where there is a recognised need for a professional support/knowledge function to be in place. Although the demand for talent is constant, opportunities are restricted to those that meet specific needs; generally including prior PSL/KM experience and often, but not always, Chinese language skills.

OUTLOOK

We expect the remainder of 2017 and early 2018 to be an auspicious time for candidates looking to gain momentum in their career progression. We will continue to see firms differentiating themselves from the traditional law firms and diversifying from just the capital markets practice. Subsequently, the demand for lawyers with experience in M&A/PE and banking & finance will remain and we expect to witness an uptick within the litigation space in the next few months. We also expect to see an increased presence of PRC firms in the region as the Chinese banks become more competitive.



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Miriam is a Director in the Private Practice Legal team, based in Hong Kong.

Her role covers all areas of practice for lawyers at entry and senior levels, placing them in leading law firms across the Asia Pacific region. She has experience working with key decision makers including partners and human resources professionals. She has an in-depth working knowledge of the Greater China market that has led to a great deal of success working with leading US firms in the region.

Miriam has extensive market knowledge and has also worked as part of the in-house legal team. Prior to recruitment Miriam worked in a marketing role coordinating business related events for educational and non-profit programs and campaigns.

Miriam has a Bachelor's degree in Psychology & Sociology from the University of Toronto and a Law degree from the Manchester Metropolitan University. She is fluent in English, Cantonese and Mandarin.



Ciaran Foy

Associate Director

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Ciaran is an Associate Director in the Legal Private Practice team, based in Hong Kong.

He responsible for the recruitment of private practice lawyers across Asia with a focus on the major hubs in Hong Kong and Singapore. His remit ranges from newly qualified lawyers to partner level placements and he has had proven success in recruiting within various practice areas of major law firms.

Prior to joining Aquis Search, Ciaran worked as a qualified lawyer for five years at a top US law firm specialising in real estate transactions before joining a global London search firm. His background has afforded him a true understanding of the legal recruitment market and uniquely positions him to offer commercial, consultative advice to both clients and candidates alike.

Ciaran has a Bachelor's degree in Law with French from Queen's University, Belfast. He completed his legal practice course at Nottingham Law School and was admitted as a solicitor in 2006.

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Mischa is a Senior Consultant working as part of the Private Practice Legal team based in Hong Kong.

Mischa is responsible for the recruitment of lawyers at all levels, across all practice areas, into leading international law firms across the Asia Pacific region. She has solid experience working with key decision makers including partners and human resources professionals. Her in-depth knowledge of the Asia legal market equips her to offer valuable advice on compensation and hiring trends.

Prior to joining the Private Practice team, she had a diverse portfolio, with responsibility for finding candidates in the human resources & corporate services space. Mischa worked across multiple industries including commerce, financial services and private practice law firms and successfully placed candidates across all industries.

Prior to joining Aquis Search, Mischa was a Research Assistant for a food and beverage company in South Africa.

Mischa has a degree in Value & Policy Studies and a Masters degree in Decision Making and Knowledge Dynamics from the University of Stellenbosch, South Africa.

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Ee Vonne is Senior Consultant with the Human Resources and Corporate Services team based in Hong Kong. She recruits non-fee earning professionals at all levels for law firms.

Prior to joining Aquis Search, Ee Vonne worked for a leading search firm based in Taipei and for a Fortune 500 financial services company where she gained first hand an understanding of the processes, organization and staff training programs of large, global financial institutions.

Ee Vonne has a Master's degree in Social and Cultural Psychology from the London School of Economics and a Bachelor's degree in Economics from the University of Warwick. She speaks English and Mandarin.

ABOUT AQUIS SEARCH

Aquis Search is a leading regional executive search firm specialising in the corporate affairs, compliance, finance & accounting, human resources & corporate services, investment management, IT risk & cyber security, legal and risk management sectors across Asia. We offer clients executive search, research & advisory, search & selection and contract & payroll services.

Our clients are members of a global network of prestigious financial institutions, leading UK and US law firms, regional market leaders and Fortune 500 organisations. Clients' recruitment briefs are successfully met by our team of experienced, multilingual consultants. Professional integrity is the key value on which our client relationships are built and the majority of our business is from personal referral. This is a testament to the high level of professionalism for which we are known.

Aquis Search was established in Hong Kong in 2009. Today we operate offices in Beijing, Delhi, Hong Kong, London, Mumbai, Shanghai, Singapore and Taipei.

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