

# 2020 Legal SalesUncovered: Salary& TrendsSurvey Results



#### About LSSO

The Legal Sales and Service Organization, Inc. was launched almost two decades years ago. At that time, law firms were beginning the evolution from marketing to incorporate business development and service initiatives.

Legal departments became ever more demanding of their firms and increased their use of process improvement tools, like Six Sigma and Lean, internally. However, law firms did not have the resources or tools in the areas of business development, service excellence and quality initiatives. LSSO was created to fill those needs.

Then and especially now, law firm leaders have ever-greater responsibilities for the future of their firms. The market is crowded and highly competitive. Clients are sophisticated buyers. As such, lawyers and law firms must employ effective sales and service strategies, whether they are responsible for bringing in new business or developing and retaining clients through service delivery.

LSSO membership is for legal and business professionals who want access to timely and on point information, are committed to their own professional development and insist on staying on the cutting edge. LSSO supplies the legal marketplace with innovative, groundbreaking events and resources.

LSSO delivers the education and resources that lawyers and those who work with them need to improve their sales and client service skills with a searchable library, exclusive research, tools and information for members only, LSSO's annual RainDance Conference and LSSO's Coaching Certification Programs.

Please subscribe to our complimentary e-Newsletter, LSSO News to receive updates from LSSO. Begin enjoying the benefits of a LSSO membership by **joining today**.



#### Acknowledgements

We are grateful to the law firm professionals who took time and participated in LSSO's benchmark survey. With your help, we will have made another positive contribution to our industry and beyond.

The notion of uncovering the complicated nuances in the rise of law firm sales and service executives came from LSSO's esteemed leadership, the Board of Advisors. We thank each and every one of you for your guidance and direction:

#### **Board of Advisors**

- David Burkhardt
- Christie Caceres
- Silvia Coulter
- Beth Cuzzone
- Alvidas Jasin
- Catherine MacDonagh
- Gabe Miller
- Steve R. Petrie
- Adam Stock
- Catherine Zinn



#### Methodology

The survey responses were completed in 2019. Due to covid-19, the results were compiled and published in 2021. The survey employed both qualitative and quantitative methodologies The qualitative methodology allowed participants the opportunity to provide context to answers while providing insight into complex reality and the meaning of actions in a given context. The quantitative methodology sought to obtain accurate and reliable measurements that allow a statistical analysis. Both of which will be used as benchmarks for future surveys.

Responses were sought from individuals who work within a law firm, regardless of size and geography.

The survey was distributed electronically, via links, emails, and newsletter. With each invitation to participate, language was provided that stated all responses would be confidential and no individuals or firms would be identified in the results.

"The quantitative methodology sought to obtain accurate and reliable measurements that allow a statistical analysis."





# Executive Summary & Analysis



This salary and trends survey sought to understand the common threads that continue to define law firm sales and growth, as well as the pay structure and level for those professionals. Approximately 60 individuals from across the country responded to the survey, about half of which possessed a c-level title: either business development, marketing, client service or some sort of combination. Almost exactly half the respondents were from firms with 250 lawyers or higher in number, with the other half of respondents noting they were from firms with less than 250 lawyers.

Sales roles remain on the newer-side in the legal profession with a majority of firms only having begun staffing and bringing more attention to building the sales function over the last decade.

The survey results continue to indicate that sales professionals maintain significant responsibilities and positively impact firm sales. The survey revealed that once again, exactly 80% of legal sales professionals are having an impact on revenue through sales and

that 80% have external facing roles with clients and prospects. This year, 75% reported being directly involved in client teams (a 5% increase from last year). And lastly, 50% of the respondents indicated they report to the managing partner of the firm or executive committee, which we continue to see as a very positive result that can only raise their stature.

Professionals within these firms continue to face their share of challenges, with a significant number of responses highlighting the same struggle: achieving attorney buy-in and attention on key strategic initiatives.

This tension and frustration could be seen as one of the most significant job pressures (and inhibitors), calling for a need for more support from managing partners, more strategic focus on firm priorities and corresponding role responsibilities, and more broad-based communication of department "wins" and "offerings."



Survey respondents also noted additional pressing obstacles, including lack of resources, limited time to complete wide-ranging tasks (from high-level to admin), role definition, department building and succession planning, talent acquisition, and financial constraints, among other factors.

This point is further supported by observing outsourced functions, where except for Media Relations and Lawyer Coaching, little to no work is performed by outside experts, placing the burden squarely on the shoulders of internal resources. It is interesting to note that the survey indicated 90% are doing sales strategy and coaching in contrast to 40% doing outside sales, which invites further consideration about the true sales nature of this role. Finally, in spite of the positive observation related to reporting structure above, few business development professionals (17%) are a member of the firm's management committee suggesting more work to be done there. Again, this phenomena appears to

exist regardless of firm size, geography, focus, and likely a cause of significant stress on the position.

"...little to no work is performed by outside experts, placing the burden squarely on the shoulders of internal resources."

Other observations to note include age and gender. The age distribution tracked by the respondents is similar to a bell curve with the highest percentage (~50%) in the age 35-44 category, and the second largest category (~30%) in the 45-54 group – a direct reversal from last year, suggesting younger talent is rising within the industry.



That suggests that the need for legal sales requires a seasoned and experienced group, which makes sense given that these professionals must not only possess client savvy skills, but also be able to navigate the unique qualities and structure of firms themselves (it also provides support for higher compensation levels). Law firm sales pros need to work well inside and outside the firm -- with demanding clients, and occasionally stubborn firm lawyers. Also, since firms are still evolving the "sales" function, the skills of successful business development professionals likely require significant changing management capabilities, calling for individuals with a depth of experience.

On the gender point, roughly 75% of the group is female, which presents no issue on its face, but is up 12% from last year; it might be worth noting and wondering why this is so. Is there some predisposition on the part of law firms related to the role of legal sales and marketing? This statistic is almost opposite the gender demographic findings for sales professionals in other

industries, and so caution should be used to ensure the role avoids negative stereotypes of assumed clerical or other ministerial functions.<sup>1</sup>

Regarding compensation, the survey reported that most business development professionals are paid decently well, with roughly 60% of the respondents reporting base compensation between \$100,000-\$199,000 and just about 35% reporting above \$200,000. These findings could perhaps be explained by the level and role of the respondents, but provides an interesting picture, nonetheless.

"...most business
development professionals
are paid reasonably well,
with 35% of the
respondents reporting base
compensation over
\$200,000..."



It is also worth noting that 65% of the group reported that their salary or goals did not correlate with firm revenue, suggesting once again a disconnect between performance and rewards. Said another way, in sales parlance, this position is an underleveraged position for most of the group.<sup>2</sup>

As previously mentioned, over the past decade, the role of the law firm sales professional is now becoming commonplace in the industry. The pay remains competitive, but the stress remains high, and the variance of responsibilities is wide from firm-to-firm, seemingly to a detriment.

There is no question that firms continue to face an increasingly sophisticated client base that is demanding alternative and creative pricing structures, high-quality service and response times, clarity in billing, and a requirement to know their business well. With this comes an even stronger necessity to hire, grow, and retain true sales professionals.

As firms increasingly are focusing on client service design strategies, it is clear that the integration of the business development function is integral to support the opportunity for greater client success ahead.

"...65% of the group reported that their salary or goals did not correlate with firm revenue..."



#### 2020 Legal Sales Uncovered: Salary & Trends Survey **Top Statistics**



Responsibilities

Roles

- 1. Strategic Planning
- 2. Sales Strategy & Coaching
- 3. Marketing & Communications
- 4. Client Service

80%

Impact Revenue

by Growing Both

New and Existing

80%

External Facing Roles



80%

Have Direct Client Contact

> 40%

Clients

Correlation Between Firm Revenue & Salary/Bonus

**75%** Active Members of Client Teams

17%

Members of Firm's Management Committee

5%

Received \$100K+ For Most Recent Bonus



### Key Trends



#### Most Popular Titles

#### The most popular titles remain to be:

- Chief Business Development & Marketing Officer
- 2 Chief Marketing Officer
- 3 Chief Business Development Officer

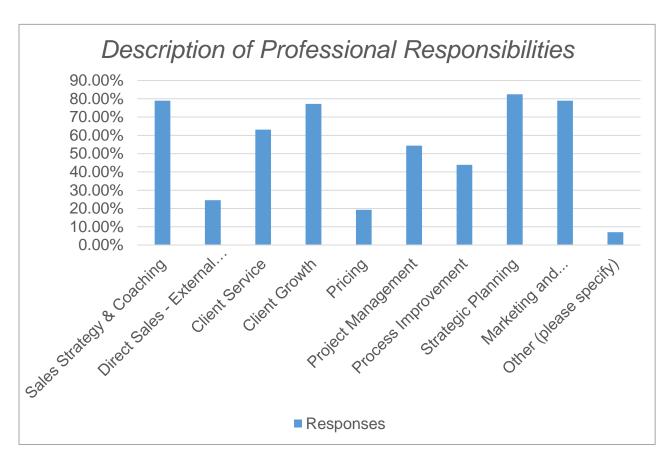
However, the word "client" continues to appear in titles in a significant way. Some executive titles include:

- Chief Client Officer
- Chief Client Services Officer



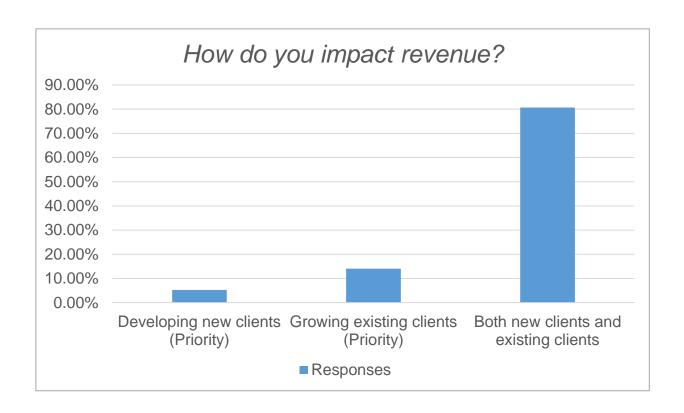
#### The 4 most popular roles and responsibilities include:

- 1. Strategic Planning
- 2. Sales Strategy & Coaching
- 3. Marketing & Communications
- 4. Client Growth



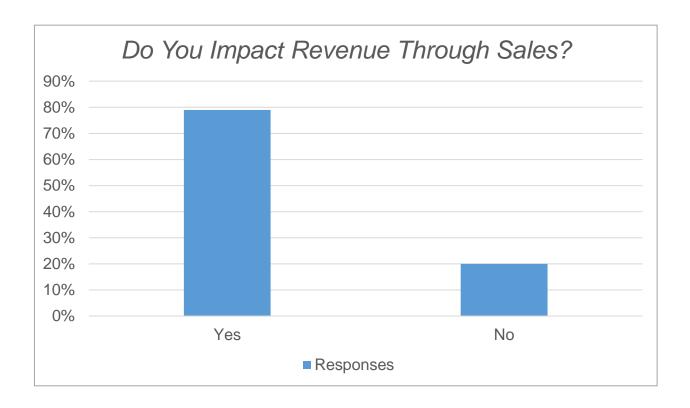


80% of respondents say they impact revenue by growing both new clients and existing clients.



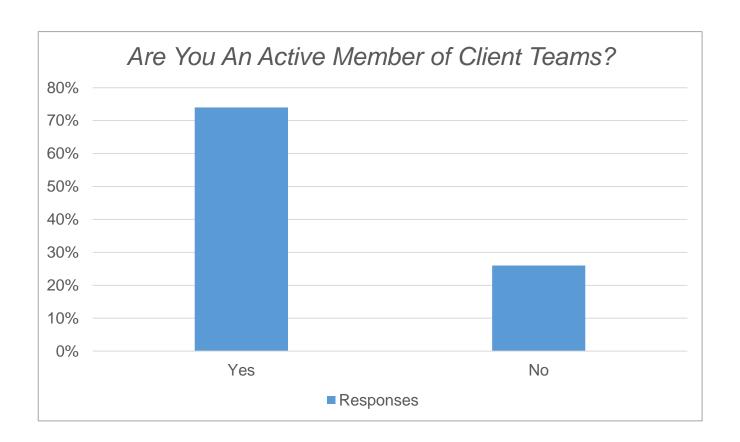


## Almost 100% of survey respondents say they impact revenue through sales.



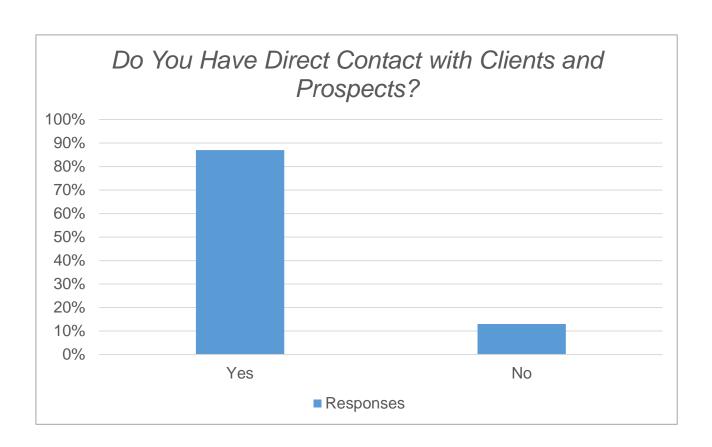


### Nearly 75% of respondents are active members of client teams.



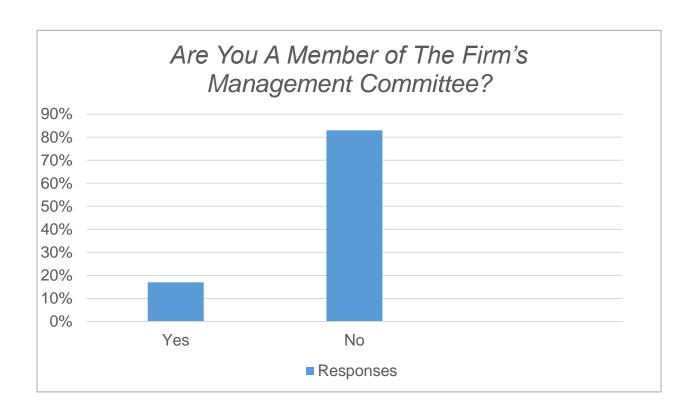


# Nearly 90% of respondents have direct contact with clients and prospects.



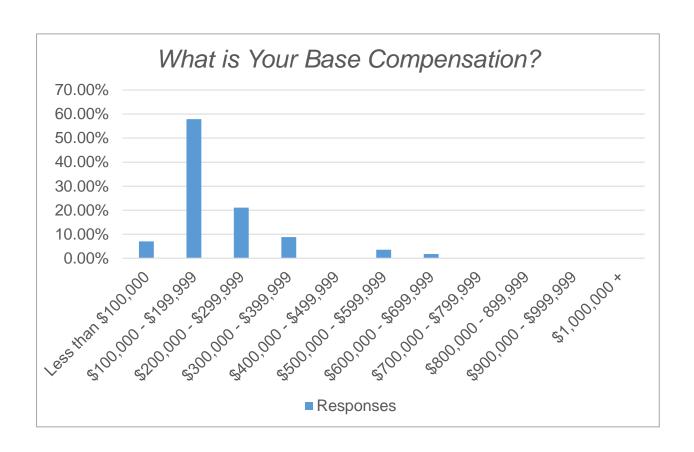


### Less than 20% of respondents are members of firm management committees.



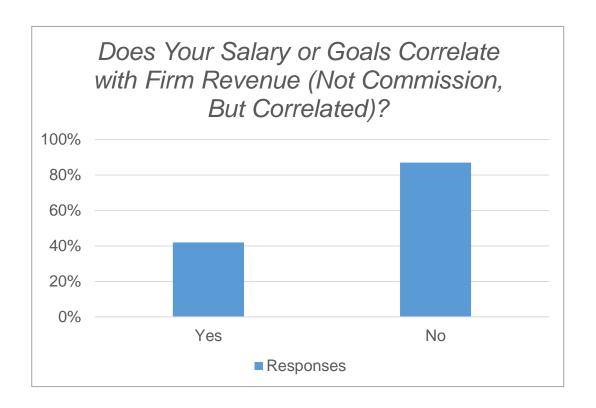


# Nearly 60% of respondents have a base compensation range of \$100k - \$199,999.



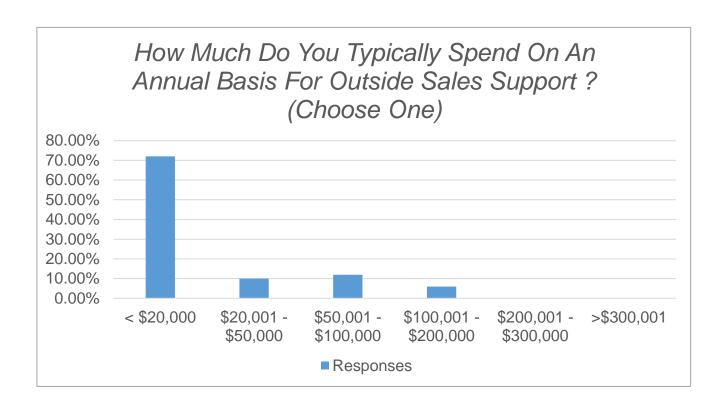


# 40% of respondents' salaries and goals correlate with firm revenue.





## 72% of respondents spend less than \$20,000 on outside sales support.





The majority of the respondents shared the biggest obstacles they face in their roles. The top three include:

- 1. Time
- 2. Attorney Buy-In
- 3. Resources



# The salaries of the respondents' highest paid sales professional range between \$100,000-\$600,000



\*aspirational



#### Looking for talent?



(Titles from LSSO's recent Job Bank postings.)

Make LSSO's Job Bank your first stop!

www.legalsales.org/jobbank

Click Here

