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Legal in-house market overview and salary guide Germany

2023-2024

Introduction

The legal in-house market in Germany has been facing many challenges over recent years.

Legal teams must deal with more and more changing laws, a global pandemic as well as the economic challenges that we now see. The first half of 2022 was buoyant but slowed down in the second half of the year. 2023 has started much slower due to various challenges, e.g. the war against Ukraine, high inflation, the energy crisis, recession, etc. Many companies have had hiring freezes in place, however, there is positivity around and we are now seeing corporates coming to the market with new roles.

The US law firms have increased salaries in the last few years and have now increased these again. As a newly qualified lawyer in the US firms you now start on a yearly base salary of approximately EUR 150,000 – 180,000. The increases have rippled through the Magic and Silver circle firms and spilled over to smaller and boutique law firms in Germany as well. This also has an impact on in-house legal teams and has resulted in disproportionately high salary levels for junior lawyers compared with their senior counterparts. Salary ranges have increased so much that it has become challenging for corporates to hire externally as the discrepancy between salaries has become too big in many instances. This is understandably causing problems for General Counsel and reward teams who typically benchmark legal salaries internally within the business, as opposed to the external legal market. Lawyers who have been with a company for a longer period of time earn often less than candidates who have moved around in the last years and have managed to get salary increases with every move.

The unprecedented salary spikes have not filtered through to the senior end of the market. Where possible, companies generally aim to promote internally when senior lawyers leave, which aids retention and career progression.

We are also still in a very candidate short market due to fewer and fewer candidates going through the very long legal education process in Germany. Therefore, it is still a challenging market to recruit at the junior to mid-level due to there being fewer candidates on the market and high expectations on their side. Because of the difficult economic climate at the moment we also see candidates being hesitant to move roles.

The demand for hybrid working arrangements from candidates looks set to stay. Moving cities for a role is not something candidates will generally consider anymore (after the pandemic). A high majority of lawyers would not accept a position if they were required to be office based for more than three days per week. More junior lawyers tend to prefer even only one or two days per week in the office. This seems counterintuitive to the support and guidance required at the junior level that can only effectively be provided in an office environment.

Many companies have pivoted successfully to agile working to aid both retention and candidate attraction, including downsizing office space to capitalise financially as well. However, some companies still enforce a four or five days per week office-based working policy and time will tell the impact this has on their recruitment strategies. For now, such policies create big challenges in the recruiting processes, even more so when the company is not based in or close to a big city.

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About our salary guide

Data for this salary guide has been compiled from our database and recent placements over the past 12 months. As always with our salary guides, there will be outliers at either end of the salary bands due to the vast number of companies from which we have collected data. If you require bespoke salary advice or benchmarking for you or your team, please get in touch.

Salaries

Manufacturing/engineering/automotive (base/variable incl. incentives)

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-80,000	0-10%
Legal Counsel	85,000-120,000	10-20%
Senior Legal Counsel	110,000-150,000	15-20%
Legal Director/Head of Legal	150,000-190,000	25-40%
General Counsel	180,000+	25-60%

Energy/renewables

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	70,000 – 90,000	0-10%
Legal Counsel	100,000 - 130,000	10-20%
Senior Legal Counsel	120,000 - 140,000	10-25%
Legal Director/Head of Legal	140,000 - 180,000	25-40%
General Counsel	180,000+	30-50%

Consumer goods

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-90,000	0-10%
Legal Counsel	85,000-110,000	0-10%
Senior Legal Counsel	100,000-130,000	10-20%
Legal Director/Head of Legal	120,000-160,000	20-30%
General Counsel	170,000+	25-40%

Pharmaceutical/healthcare/life sciences

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	80,000-95,000	0-10%
Legal Counsel	90,000-120,000	10-20%
Senior Legal Counsel	125,000-170,000	20-30%
Legal Director/Head of Legal	170,000-220,000	25-40%
General Counsel	200,000+	30-60%

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Media

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-80,000	0-10%
Legal Counsel	70,000-100,000	0-10%
Senior Legal Counsel	90,000-120,000	10-15%
Legal Director	120,000-150,000	15-25%
General Counsel	160,000+	25-35%

IT/tech

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	75,000-95,000	0-10%
Legal Counsel	90,000-120,000	10-20%
Senior Legal Counsel	110,00-150,000	15-30%
Legal Director	140,000-190,000	20-40%
General Counsel	190,000+	20-60%

Hospitality/leisure

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-80,000	0-10%
Legal Counsel	80,000-110,000	10-20%
Senior Legal Counsel	100,000-130,000	10-15%
Legal Director	130,000-160,000	15-30%
General Counsel	160,000+	25-40%

Professional services

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-90,000	0-10%
Legal Counsel	80,000–110,000	10-20%
Senior Legal Counsel	105,000-135,000	15-30%
Legal Director	130,000-160,000	20-40%
General Counsel	160,000+	25-50%

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Financial services

Level	Base salary range	Bonus
After 2nd state exam/Junior Legal Counsel	60,000-90,000	0-10%
Legal Counsel	90,000-120,000	10-20%
Senior Legal Counsel	110,000-150,000	15-30%
Legal Director	140,000-180,000	20-40%
General Counsel	180,000+	30-50%

Meet the team

Contact one of our expert consultants for more information on the German legal recruitment market.



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About Taylor Root

We are a global legal, risk and compliance search and recruitment consultancy and have been a market leader for more than 30 years.

We help global law firms and businesses to build and expand their legal, risk, compliance and corporate governance functions. Whether you're hiring your first In-house Counsel, expanding your associate team in a certain practice area or expanding your risk department internationally, we partner with businesses at every step of your journey.

Our services include contingent and retained search, permanent, temporary and interim recruitment as well as consultancy solutions. Wherever we operate we have made an impact, from Düsseldorf to Dubai, New York to Shanghai or Milan to Melbourne. From pioneering specialist recruitment in particular locations, to shaping how our clients have approached hiring, our influence is evident everywhere.

Today, we have 14 international offices – a truly global network of search and recruitment experts. Put simply, no one can match our global reach, or our history.











