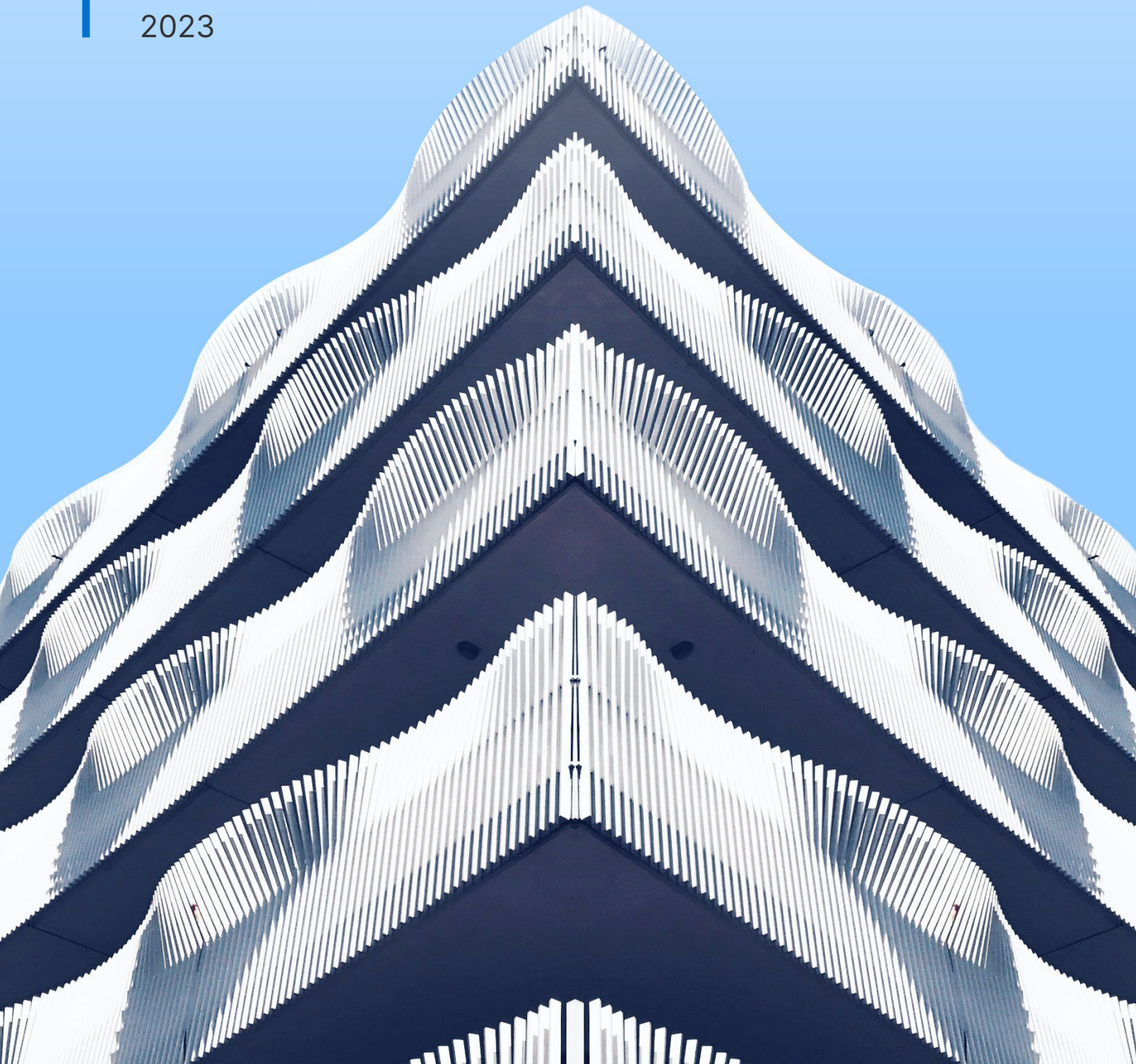


Italy private practice market report and salary guide

2023



Introduction

Our market analysis includes a full rundown of the legal recruitment trends the region is experiencing and presents a comprehensive breakdown of salaries at the various PQE levels across the market.



Where our data comes from

All of our salary data comes from a combination of talking to candidates and clients on a daily basis as well as analysis of salaries around the roles and placements we have made in the region over the last 12 months.



What are the latest trends?

Technology and automation:

The legal industry has been embracing technology, leading to increased demand for professionals with skills in legal technology and e-discovery. Automation and artificial intelligence (AI) tools have been used for tasks such as document review, legal research, and contract analysis. This has impacted the nature of certain legal jobs and created a need for lawyers with expertise in leveraging technology.

Specialisation:

As legal matters become more complex, there has been a growing demand for lawyers with specialised knowledge in niche areas of law. Specialised fields like cybersecurity, data protection, healthcare law, energy, and environmental law have seen increased demand. Most law firms are seeking attorneys who can provide in-depth expertise and tailored solutions in these specific areas.





Weaknesses in the current market

- Despite Italy's PIL in 2023 growing and forecasts remaining optimistic, the increase in inflation rates flattened out the optimistic burst by which we started the year
- As a result, in 2023, even the private practice market has been characterised by a general feeling of cautiousness and has been coined "The Great Stay (2023)". In this context, candidates are more considerate when looking to embrace new job opportunities and find it more difficult to leave their comfort zone. For this reason, the first half of the year was quieter than we saw in 2022. Moving to another law firm raises several concerns: more junior lawyers are worried about leaving their comfort zone and

embracing a new working environment, whilst the more senior lawyers are concerned about losing their "sponsor" in their path for internal career growth. Moving in-house is also a less attractive option than it used to be, thanks to a better work-life balance and higher salaries in private practice, and therefore this move is also not featuring as strongly as an option. On the other side, law firms are interested in exploring potential hires but become hesitant when it comes to finalising the recruitment process. This combination is creating a market with slow processes



New opportunities

- Law firms have been agile and quick in adapting to the new market trends (new with reference to the post-Covid era) and in doing so are now well-placed to face the war for talent. Work-life balance is at the top of the priority list for lawyers considering a move, even above a salary increase. Law firms have started to embrace flexible and hybrid working; the average is around 2-3 times home-based working per week at law firms in Italy
- Even if most Partners discourage remote working for junior lawyers, this is positively valued by middle and senior ones. As a result of these changes, work-life balance in law firms has increased. This plus the "flat tax", has increased talent retention in law firms
- As is often the case, hard times can also offer opportunities for those who are able to embrace them. In this market there is an opening for those lawyers who cannot meet the strict and often high business portability imposed by the largest firms, to set up their own independent practice or partner up with a team of colleagues. This allows them more flexibility in terms of billing hours, and the possibility of expanding their client base to mid-level corporates which are abundant in the Italian market



Threats

- As said, a high base salary is important and helpful to attract talent but is only a small piece of the puzzle. Today's generation entering the workforce looks closely at the bigger picture in terms of benefits and work/life balance, but also career development and training. As a result, law firms need to be creative with structuring attractive remuneration packages and flexible benefits and how they position themselves as an employer overall. Only with this combination will they make it into a lawyer's consideration list
- Another threat for law firms is that the drop of candidates at a more junior level and a stagnant candidate market make it very difficult for law firms to add new headcount to their teams. Will firms need to review their hiring standards?



Diversity and inclusion

- The legal market internationally has been striving to improve diversity and inclusion within law firms and organisations for some time and this trend is becoming important in Italy. There is a growing recognition of the value of diverse perspectives and experiences in legal teams. Many firms are actively seeking to hire and promote lawyers from underrepresented groups, and diversity initiatives have become an important consideration in the hiring process
- When it comes to analysing data on gender diversity in law firms in Italy, there is a good balance between males and females: 44% female and 56% male. However, as seniority increases the split changes. There still is a great gap between the genders when analysing at Partner level. Here, the number is drastically different as the percentage for males rises to 65% and for females it falls to 35%

Private practice salaries

Whilst historically US law firms offered the highest salaries, in the past years top-tier Italian law firms have become more attractive and the pay gap has reduced. As a result, whilst US law firms remain the highest payers, structured Italian law firms have become a valid alternative on this point and have drastically changed the way candidates perceive or choose their next employer.

PQE	UK law firms	US law firms	Local/regional firms	Boutique
1 year	42,000-54,000	48,000-60,000	42,000-60,000	30,000-36,000
2 years	48,000-60,000	54,000-70,000	48,000-70,000	36,000-42,000
3 years	54,000-75,000	62,000-80,000	54,000-80,000	42,000-54,000
4 years	60,000-85,000	70,000-90,000	60,000-95,000	48,000-60,000
5 years	66,000-95,000	72,000-10,000	66,000-110,000	54,000-66,000
6 years	72,000-110,000	78,000-110,000	72,000-120,000	60,000-72,000
7 years	78,000-120,000	84,000-120,000	78,000-130,000	66,000-78,000
8 years	84,000-130,000	90,000-140,000	84,000-140,000	72,000-84,000
9 years	90,000-140,000	96,000-150,000	90,000-150,000	78,000-90,000
10 years+	100,000-150,000	100,000-170,000	96,000-160,000	84,000-96,000

Indicated salaries are a result of both our market knowledge and candidate referrals.



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 16 international offices-a truly global network of search and recruitment experts. Put simply, no one can match our global reach, or our history.

Get in touch

If you would like more information on Italian legal recruitment in the private practice market or to discuss hiring for your team, please contact Giulia Natale.



Giulia Natale

Senior Consultant | Italy practice lead
+39 02 8295 1713
giulianatale@taylorroot.com

