

*This survey was mentioned in the May 2002 issue of The American Lawyer*

## **Top 200 Law Firms - 2002 Total Compensation Survey –**

### **Marketing Departments & Highest-Level Marketing Professional**

**Survey Origin & Purpose:** The purpose of this survey is to provide benchmarks and comparative data for the Top 200 Law Firms on the topic of marketing departments and compensation of highest-level marketing personnel.

**Survey Sample:** Top 200 law firms by size as measured by total number of lawyers (as listed in the 2001 editions of The Am Law 100 and Corporate Legal Times list of 1,000 Largest Firms). To encourage strong response, the survey was sent to the following three categories of personnel: top marketing professional employed in-house by the firm, Chief Administrative Officer (or equivalent) and Managing Partner (or equivalent).

**Survey Distribution:** A total of 200 law firms received the survey.

**Response Rate:** Of the top 200 law firms surveyed, 44 law firms or 22% of the Top 200 law firms responded.

#### **Survey Methodology for Results & Analysis:**

Each survey question was tallied, with the attached report providing the range and average for each question. All analysis commentary is written by Julie Savarino, Managing Director of Business Development Inc. and appears in italics below the range and average results from the tallied survey questions. The original survey questions can be found at [www.busdevinc.com](http://www.busdevinc.com); Select a Survey; Top 200 Compensation Survey.

#### **Top 200 Law Firms – 2002 Total Compensation Survey - Top Marketing Departments & Professionals**

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# Executive Summary of Key Findings

*Notes, Observations & Analysis in Italics Written by Julie Savarino*

## I. Demographics of Respondents -

**Firm Size:** Range - 175-3,500 lawyers firm-wide

*To insure promised confidentiality of survey responses, precise firm size will not be disclosed, nor will firm names or data points from specific responses.*

### **Region Where Firm's Headquarters is Located:**

Total Midwest	=	34% of respondents
Total East Coast/New York	=	23%
Total West/West Coast	=	18%
Total Southwest	=	18%
Total Mid-Atlantic	=	7%

*Again, to ensure confidentiality, depending upon the city where the firm's headquarter office is located; respondents were categorized into the above regions of the United States. For those firms with multiple headquarter locations, the original founding office was where the response was categorized or where the majority of the firm's leadership and administrative staff reside.*

## II. About the Firm's Highest Level Marketer -

**Gender:** Top 200 Law Firms

Total Female =	32 = 73%
Total Male =	12 = 27%

*While females represent 3/4 of all respondents, statistical correlation analysis found that in the top 50 law firms, on average male C.M.O.s are compensated 1/3 more than their female counterparts. In the next 150 largest law firms (#51-200 in size as measured by number of lawyers), there is gender equity in average compensation.*

### **Highest Degree That Person Holds:**

Masters =	52%
Bachelors =	35%
J.D. =	9%
Other =	4%

*Last year, only 3% of respondents held a J.D. This year it is 9% or three times as many J.D.s holding marketing positions. One respondent noted that they practice law half the time and also serve as C.M.O. for their firm (a considerable responsibility given the firm size of survey respondents).*

## Highest-Level Marketer's Greatest Contributions to the Firm:

### #1 Response -

Built & Organized a Fully-Functional, Quality Marketing Department for the Firm

#2 - Provide Strategic Advice, Counsel, Direction, Analysis, Identify Growth, Market Recommendations & Opportunities for Firm, Lawyers, Practice Groups, Client Teams

#3 - Cement Acceptance of Marketing Within Firm, Gain Respect for the Marketing Function, Motivate Lawyers & Firm

#4 - Develop Measurable New Business & Client Relationships

#5 - Brand the Firm & Effectively Position it in the Market

## III. Total Compensation -

### Average Total Compensation (Average Salary + Bonus + Benefits):

Average Salary	=	\$173,000	\$173,000
Average 16% Bonus	=	\$ 27,680	
Average Dollar Bonus	=		\$ 30,210
Value of Benefits	=	<u>\$ 28,654</u>	<u>\$ 28,654</u>

**Overall Average TOTAL COMP.    \$229,330    \$231,864**

### Average Total Compensation By Geographic Location:

<b>East Coast</b> - Average-	\$189,800
Range-	\$128,000-\$307,250
<b>Mid-Atlantic</b> -Average-	\$242,542
Range-	\$205,000-\$270,000
<b>Mid-West</b> - Average-	\$222,355
Range-	\$80,000-\$412,500
<b>Southeast U.S.</b> -Average-	\$167,899
Range-	\$91,000-\$270,000
<b>West Coast</b> - Average-	\$235,453
Range-	\$127,500-\$373,000

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## **V. Firm's Marketing Budget & Expenditures -**

### **Approximate Annual Marketing Budget Expenditures By Category:**

**#1 = 21% of Marketing Expenses (Tie) –**

**INDIVIDUAL ATTORNEY MARKETING EXPEDITURES** (client entertainment, travel, responses to RFPs, proposals, etc.)

**COMPENSATION & BENEFITS FOR MARKETING PERSONNEL**

**#2 = 20% -**

**FIRM PROMOTION** (public relations, marketing materials, advertising, website, etc)

**#3 = 16% -**

**PRACTICE GROUP MARKETING & CLIENT DEVELOPMENT ACTIVITIES**

**# 4 = 13% -**

**FIRM EVENTS, SEMINARS, PARTIES, etc.**

*Time vs. Money Analysis: When compared to how much time on average the firm's highest-level marketer spends, the most obvious difference is that the greatest percentage of marketing **money/investment** (21%) is spent on individual attorney marketing initiatives, yet the average **time** most high-level marketers spend in the area of individual attorney initiatives is 7%. Therefore, given that the majority of law firm marketing departments remain understaffed, most law firms would be well-served to have marketers' spend more time & effort to get better results from individual attorneys' marketing investments. Perhaps using personal coaching, sales/client development training and/or development tools (if not using in-house marketing/sales staff, then using outside assistance or consultants).*

### **END NOTE**

*This survey originated as and remains a service to those within the defined survey sample. In our continual effort towards constant improvement, please let us know whether this survey report has been and/or will be helpful to you in making your law firm more successful and profitable. **Thank you for this opportunity to be of service!***

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