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BRAZIL LEGAL
**BENCHMARKING
SURVEY 2019**

Laurence Simons

LAURENCE SIMONS

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INTRODUCTION **BENCHMARKING SURVEY**

A Benchmarking Survey is research performed by Laurence Simons in order to analyze, in detail, the legal departments in Brazil and Latin America.

The questions were developed with the assistance of the legal executives and professionals, who pointed out the main issues encountered while they were making decisions in and for their departments. Moreover, we approached wage issues, motivational issues, and career development issues.

The research brought us highly relevant results, which may help the professionals to take an in-depth look at not only their careers but about making strategic decisions in their departments. The research comes with a wage informative guide and the trends of our market. We thank everyone who participated in our research.

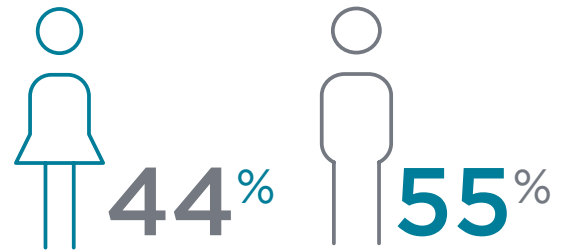
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RESEARCH CONTENT

GENDER

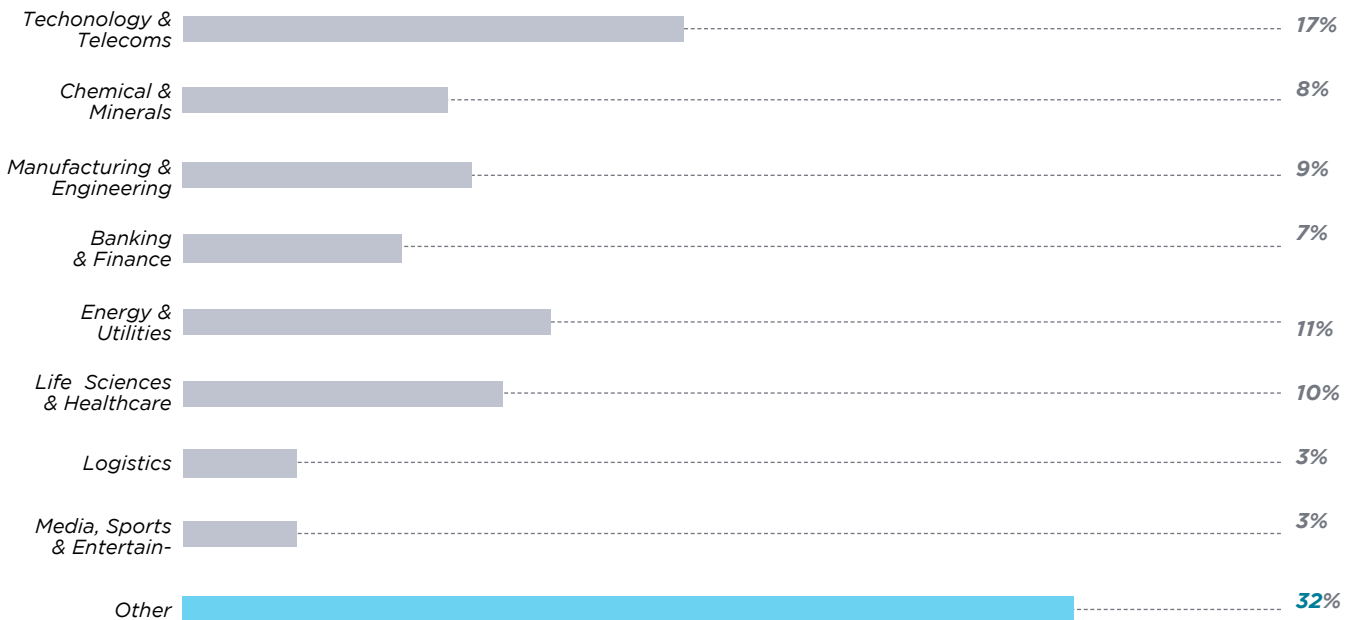
We can see a marked increase in the number of female lawyers who participated in the research, nearly 44% of the interviewed. Laurence Simons globally supports and defends the inclusion of women in the legal market, with emphasis on leadership positions.

WHAT IS YOUR GENDER?



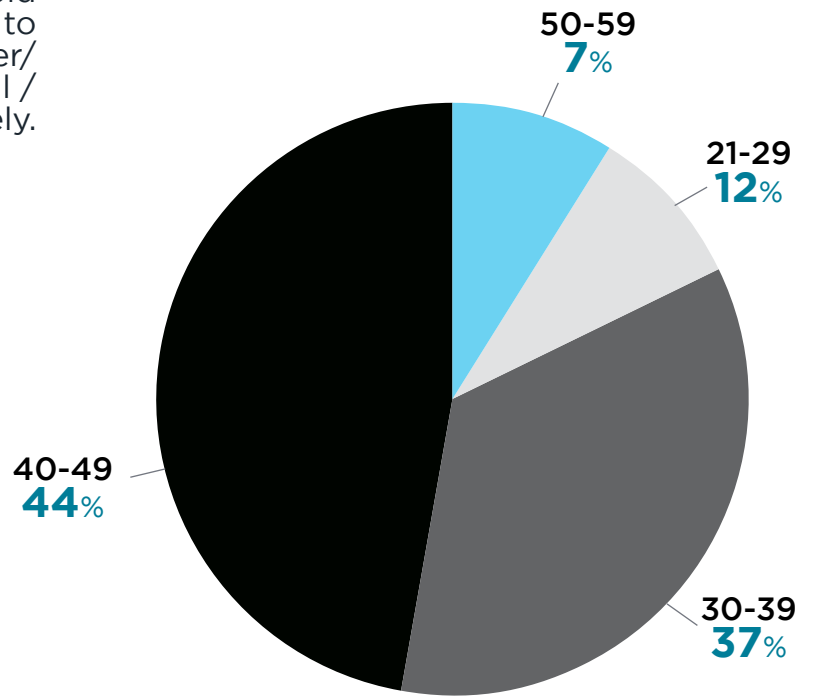
1% Prefer not to specify

WHAT'S YOUR COMPANY INDUSTRY SECTOR?

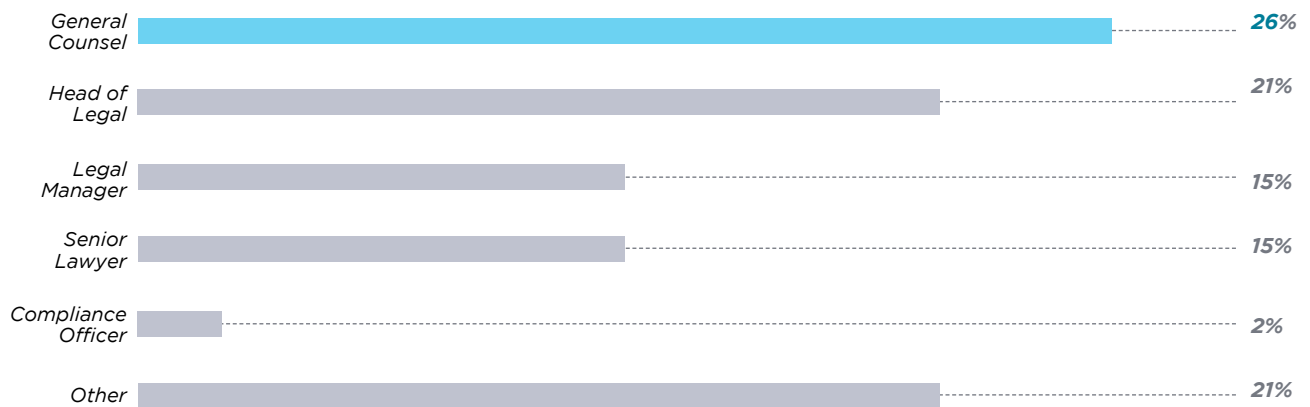


We can also see strong participation from professionals who are 30-39 years old (37%), and 40-49 years old (44%), which is directly related to the functions of a Senior Lawyer/Manager (30%), and Head of Legal / General Counsel (47%) respectively.

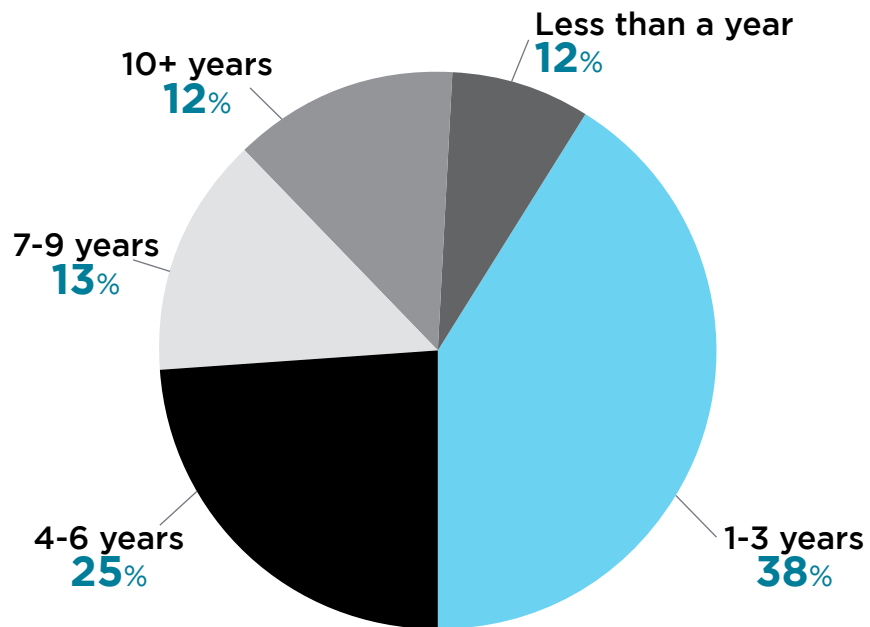
WHAT AGE CATEGORY DO YOU FALL WITHIN?



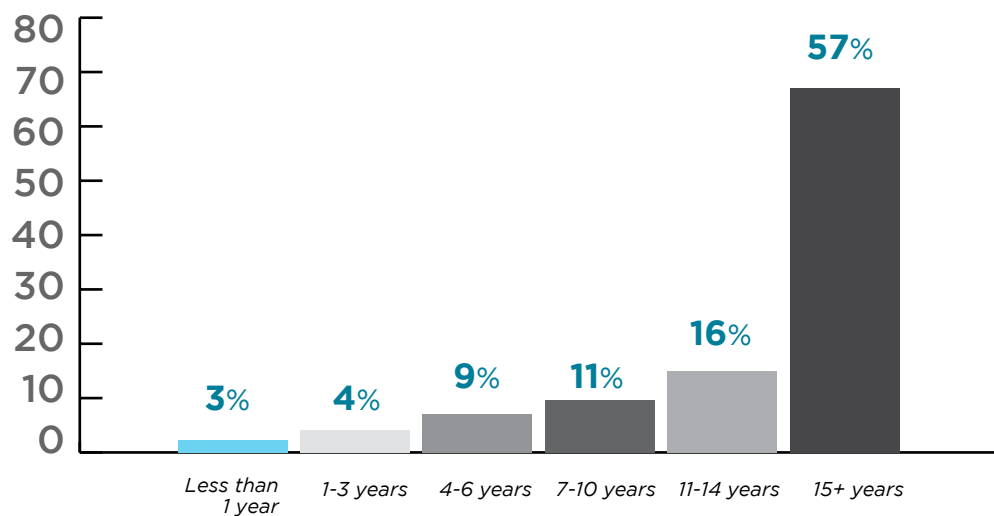
WHAT'S YOUR JOB TITLE?



HOW LONG HAVE YOU BEEN IN YOUR CURRENT ROLE?



WHICH OF THE FOLLOWING BEST DESCRIBES YOUR LEVEL OF EXPERIENCE WITHIN THE LEGAL INDUSTRY?





REGION

WHICH REGION DOES YOUR POSITION COVER?

- Brazil has become an important hub for the legal and compliance departments of international companies in Latin America. The data show that about 42% of these professionals work in LatAm and/or other regions.

WHO IS YOUR DIRECT REPORT?

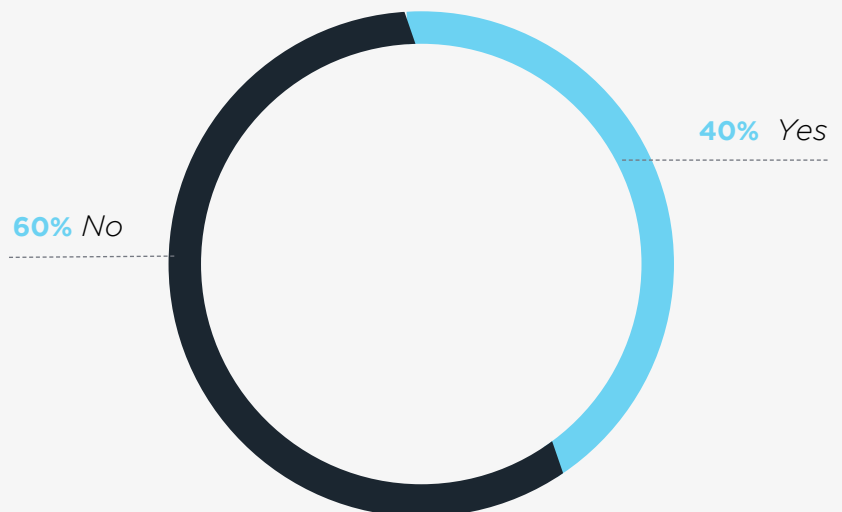


BOARD

The profile of an in-house lawyer has changed. Currently, the professionals are more and more involved in the strategic issues that demand more engagement with the company and related business, besides technical training for the function. More and more of this kind of professional has been looking for MBA courses because those degrees are considered a serious advantage in the market.

It is also noted that 40% of the professionals are part of the company board, which is the reason why we see an increase in the number of professionals looking for courses focused on preparing them for participation and conflict resolution in council meetings.

ARE YOU A MEMBER OF THE COMPANY BOARD?



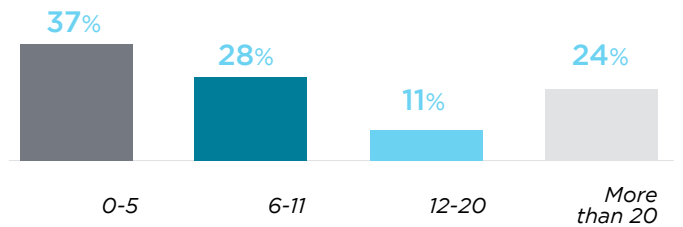
TEAM

In comparison with the research we performed in 2013 - where we had an average of 11 lawyers per team - we found out that the legal departments were affected by the economic and political crisis that has impacted our country over the last few years.

There was a reduction in the headcount, where more than 60% of the legal departments currently holding a maximum of 11 lawyers on their teams.

The tendency to improve in the national scene can be seen optimistically in regard to the future of the economy over the next 12 months for almost 77% of the professionals, as detailed next.

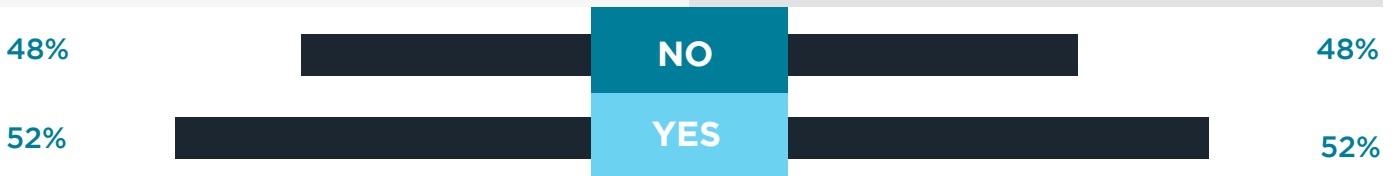
HOW MANY PEOPLE DO YOU HAVE ON YOUR TEAM?



DID YOU HAVE ANY SECONDEES* FROM LAW FIRMS DURING 2018?*

SECONDEES REFER TO LAWYERS THAT HAVE BEEN HIRED ON A CONTRACT OR INTERIM BASIS FROM A LAW FIRM OR LEGAL STAFFING AGENCY, BY AN IN-HOUSE LEGAL DEPARTMENT.

DO YOU HAVE PLANS TO HAVE ANY SECONDEES* FROM LAW FIRMS DURING 2019?



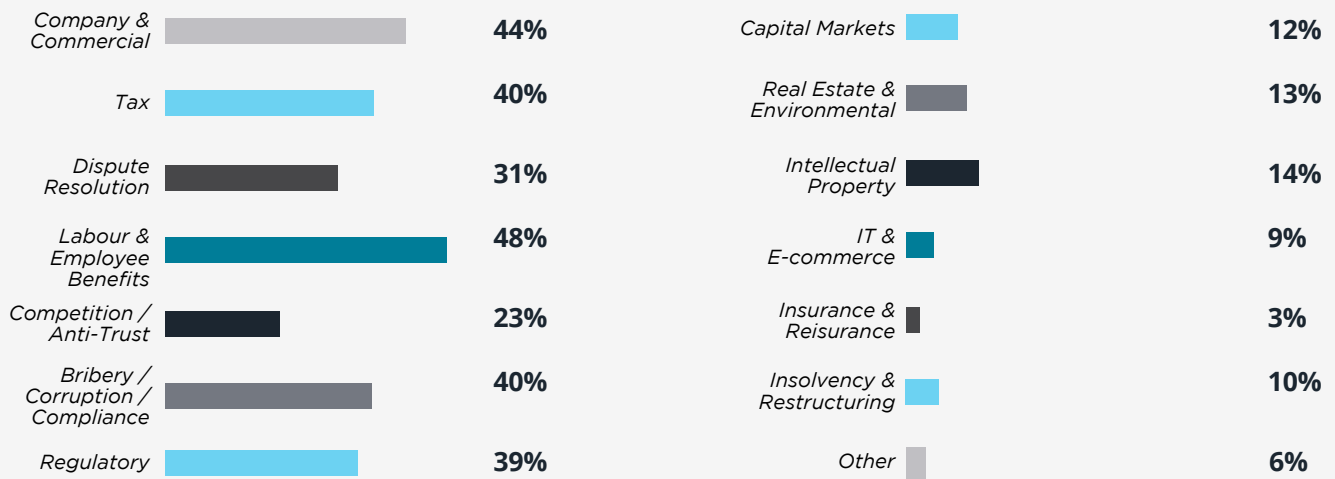
IS YOUR LEGAL BUDGET GOING TO INCREASE OR DECREASE IN 2019?



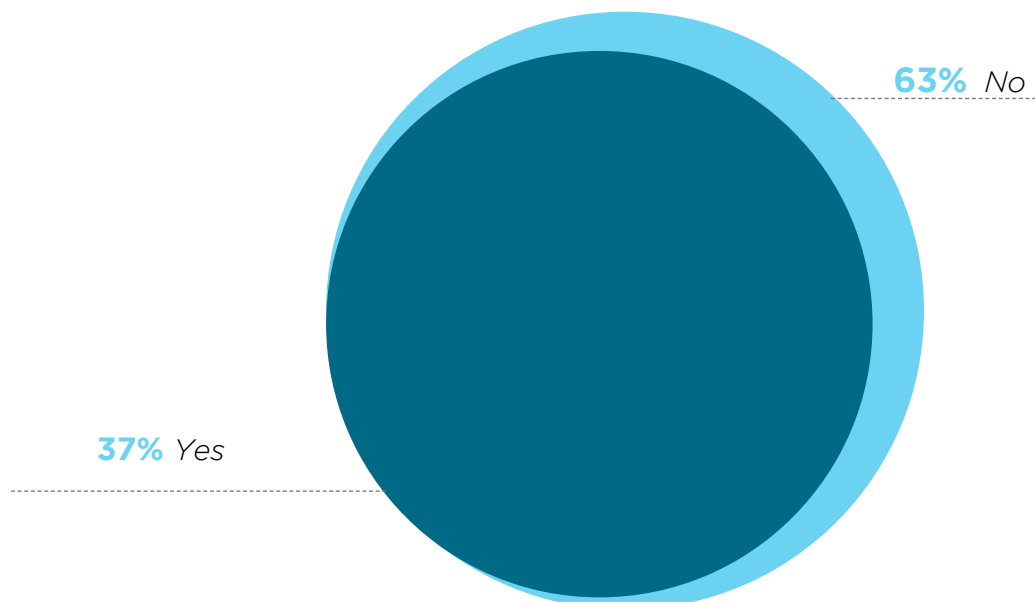
CRUCIAL MISSION

In the research performed in 2013, only 24% of the participants classified the labor area as crucial. This percentage has doubled over the last five years, considering that a little less than 48% of the professionals see the labor area as one of the more crucial aspects in 2018. We believe that this is due to the complexity of the labor legislation, besides the layoffs resulting from the crisis mentioned before.

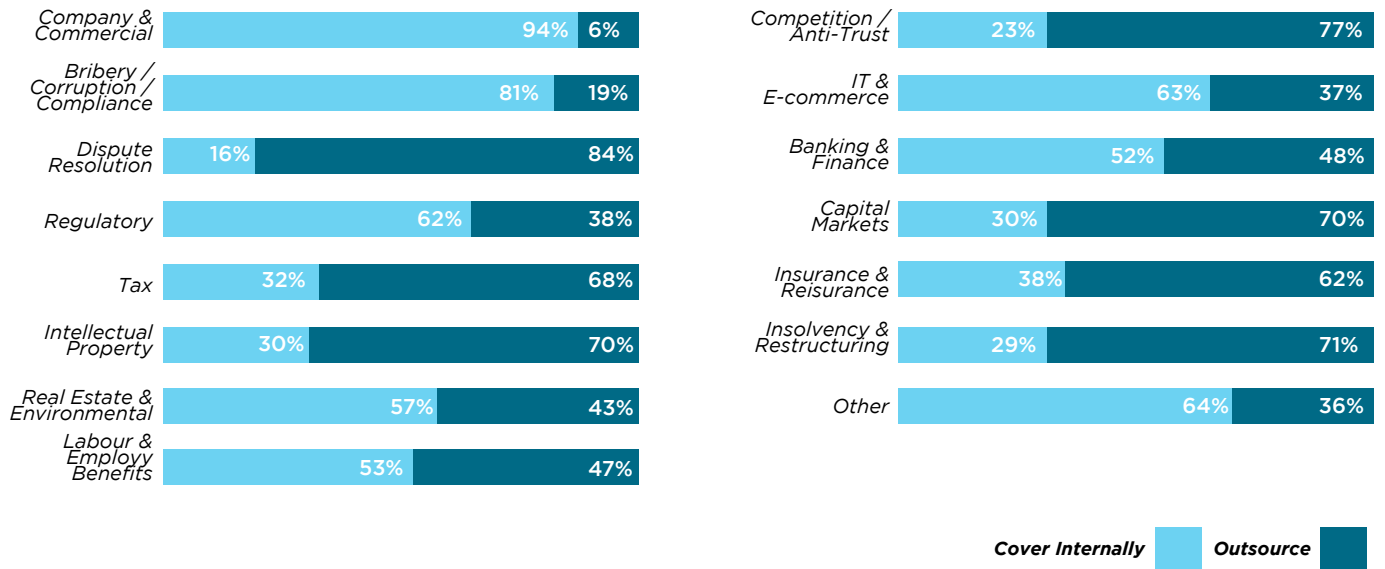
WHICH AREAS OF LAW WERE MISSION CRITICAL IN 2018?



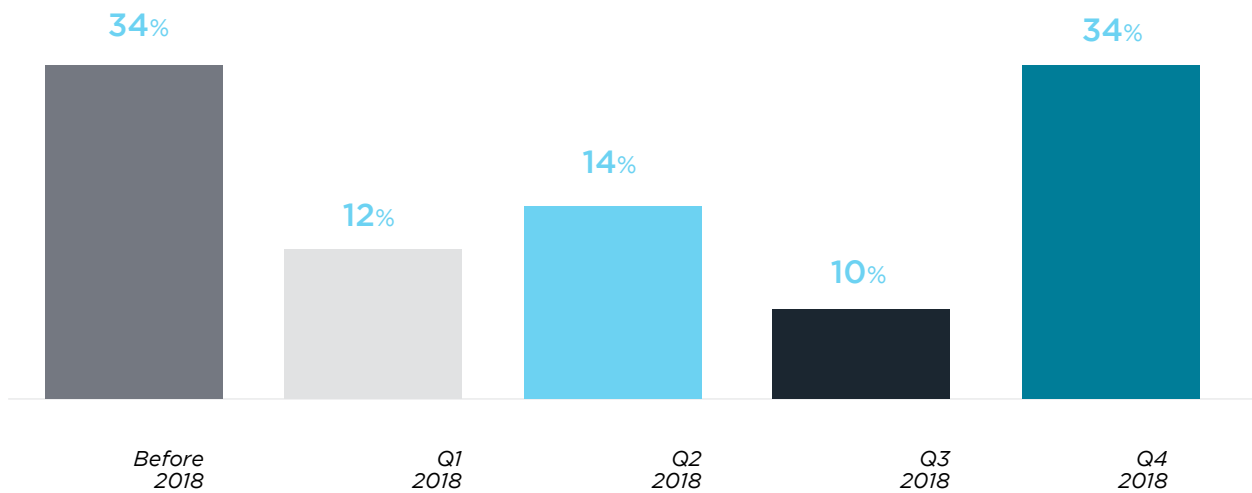
DO YOU ENVISAGE THE MISSION CRITICAL AREAS CHANGING IN 2019?



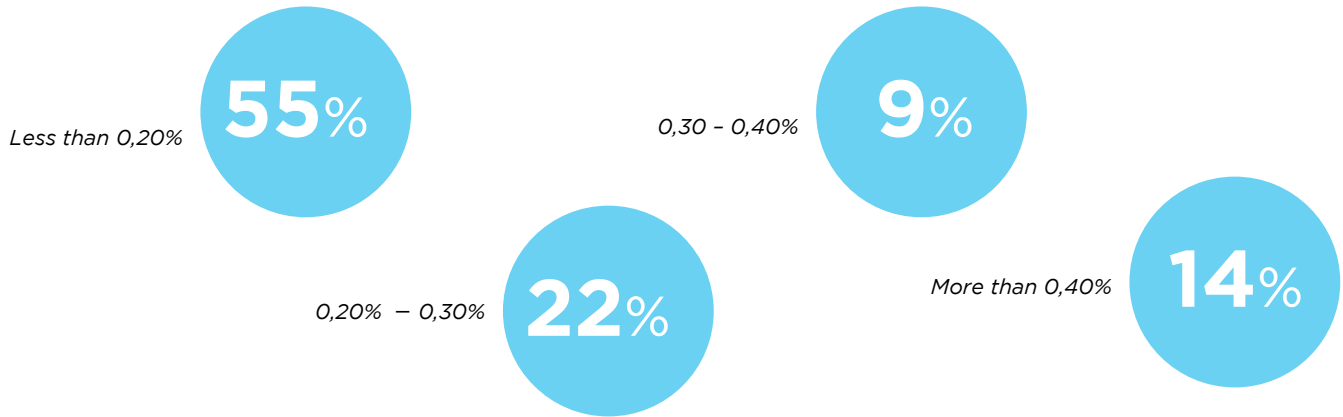
WHICH AREAS OF LAW DO YOU COVER INTERNALLY? AND WHICH AREAS DO YOU OUTSOURCE TO LAW FIRMS?



WHEN DID YOU LAST RECRUIT EXTERNALLY?

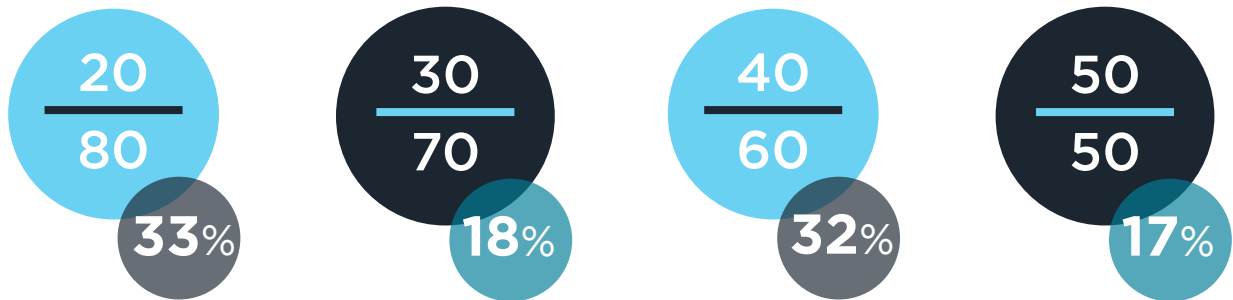


WHAT'S THE COST OF YOUR LEGAL DEPARTMENT RELATED TO THE TOTAL REVENUE OF YOUR COMPANY?

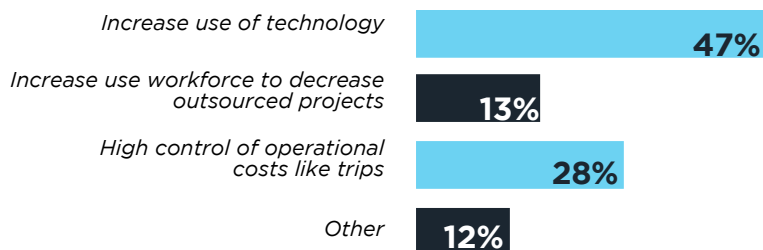


Controlling operational costs of the legal departments in Brazil is a trending issue and is being discussed among the professionals in that area, as it has been deemed “too expensive” in comparison with other countries. Despite that, over 55% of the Legal Executives affirm they have a cost lower than 0,20% of the company’s revenue, and almost 47% believe that the investment in new technologies can be a way to reduce cost.

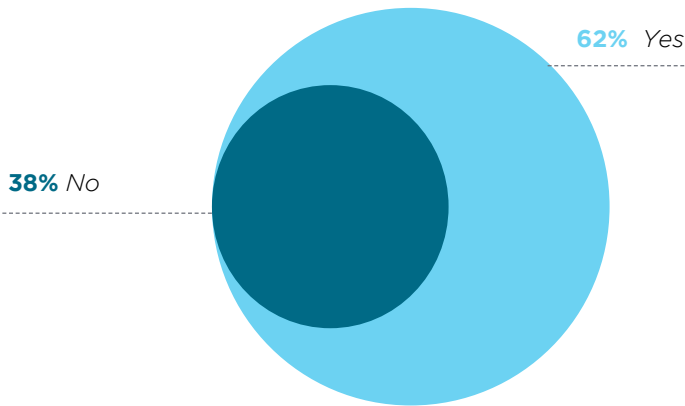
WHAT'S THE RATIO BETWEEN INTERNAL (RETAINED ORGANIZATION) AND EXTERNAL COST (OUTSOURCED SERVICES) OF YOUR LEGAL DEPARTMENT?



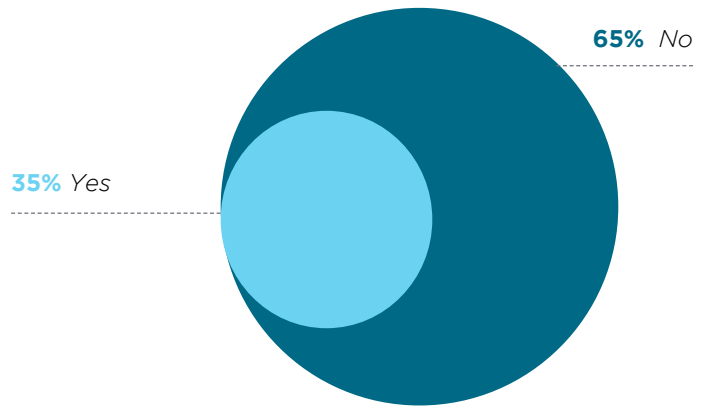
HOW DO YOU INTEND TO DECREASE THE COST OF THE DEPARTMENT?



DO YOU PLAN TO INVEST OR INCREASE YOUR INVESTMENT ON ARTIFICIAL INTELLIGENCE DURING THE NEXT 12 MONTHS?



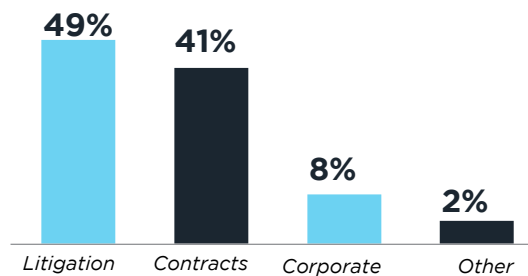
DO YOU BELIEVE YOU ARE GOING TO LOSE HEADCOUNTS DUE TO TECHNOLOGY?



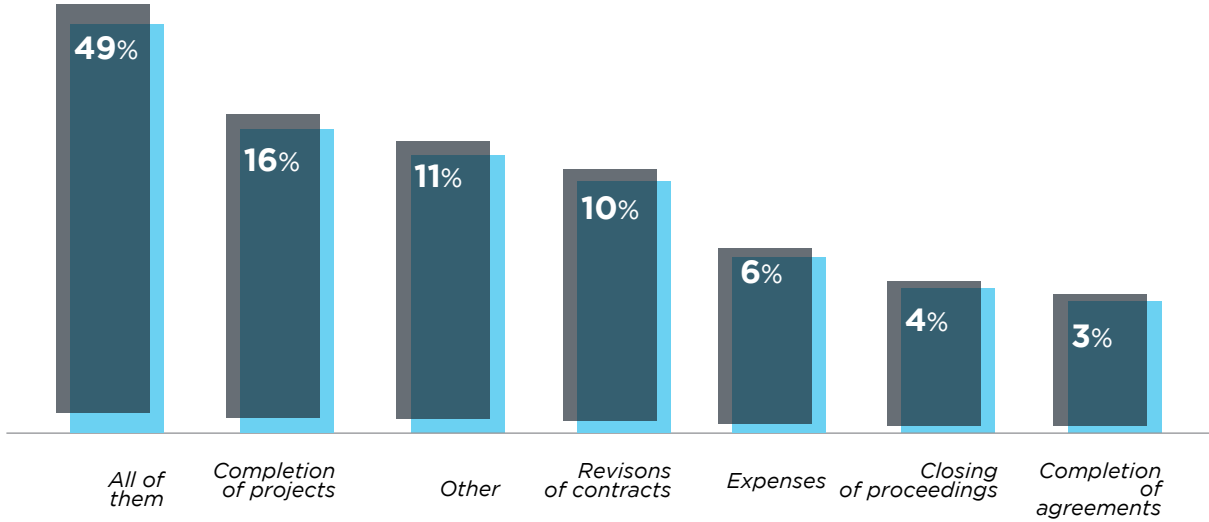
Despite the tendency to reduce cost, a little more than 61% of the participants affirm they will invest in technology and artificial intelligence during 2019, and they believe that litigation areas (49%), and contracts (41%) will be the areas most impacted by this technological advance.

Regardless of the improvement in software designed for the legal industry, almost 65% of the professionals do not believe that artificial intelligence will reduce the headcount inside the company.

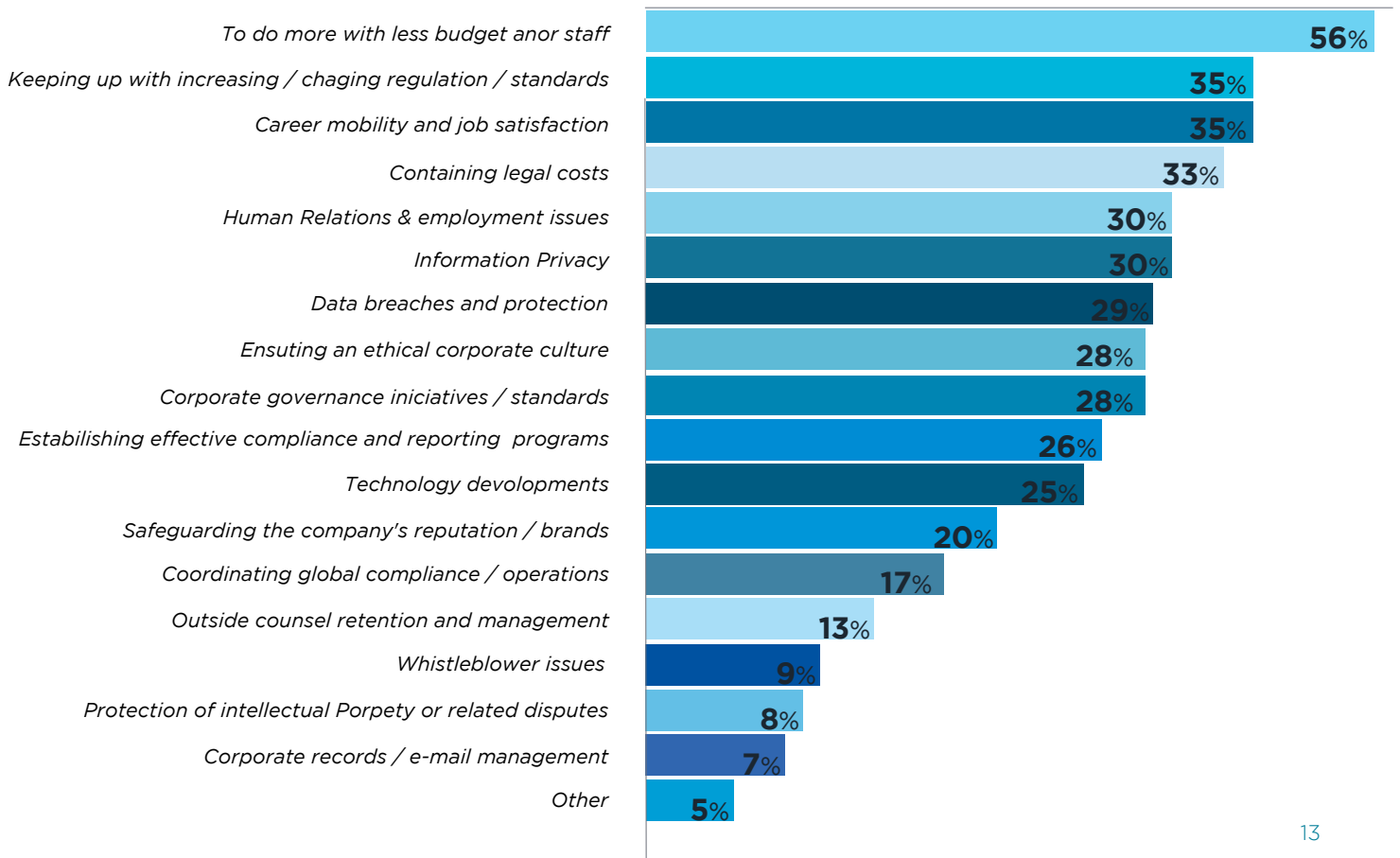
WHICH AREAS OF LAW DO YOU BELIEVE ARE GOING TO BE MORE AFFECTED BY AI?



WHAT ARE THE MOST IMPORTANT KPIS THAT YOU USE TO MEASURE YOUR TEAM PERFORMANCE?



WHICH PROFESSIONAL CHALLENGES ARE THE MOST IMPORTANT FOR YOU DURING 2019



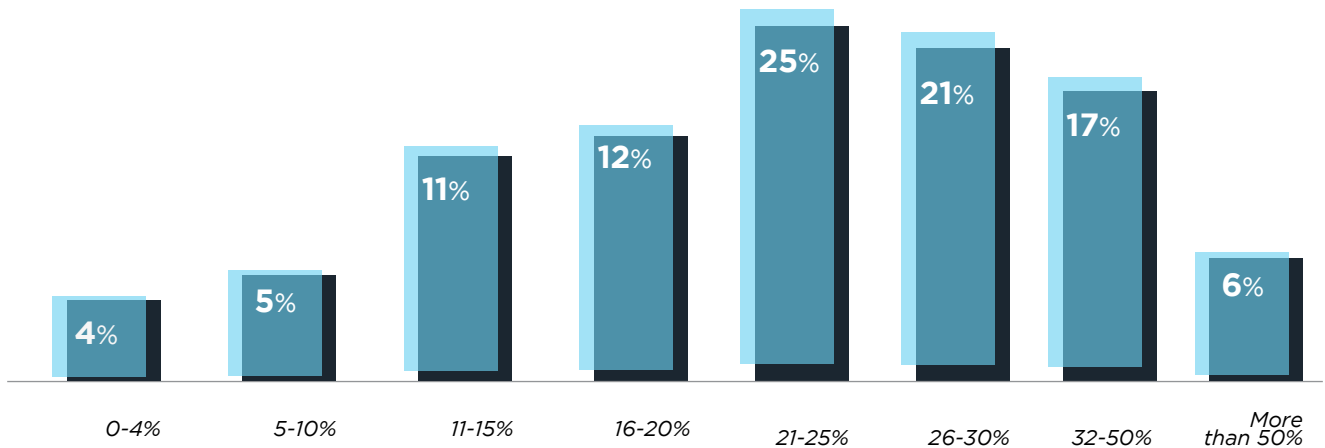
CHANGING JOBS

Because of the tendency towards improvement in the national economic scenario in 2019 after many years of crisis, a “warmer” market is expected. Only 16% of the professionals do not foresee new opportunities, which promises a very busy year for legal recruiting.

DO YOU ANTICIPATE CHANGING JOBS IN THE NEXT 12 MONTHS?



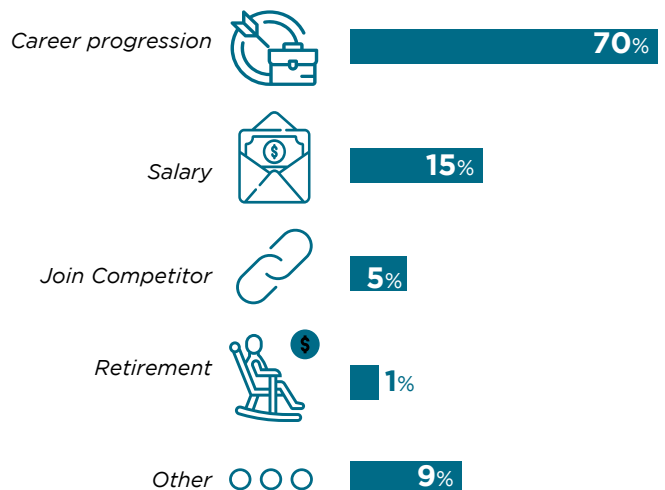
IF YOU WERE CONSIDERING A NEW ROLE, WHAT WOULD BE AN ACCEPTABLE INCREASE IN BASIC SALARY THAT WOULD MOTIVATE YOU TO MOVE?



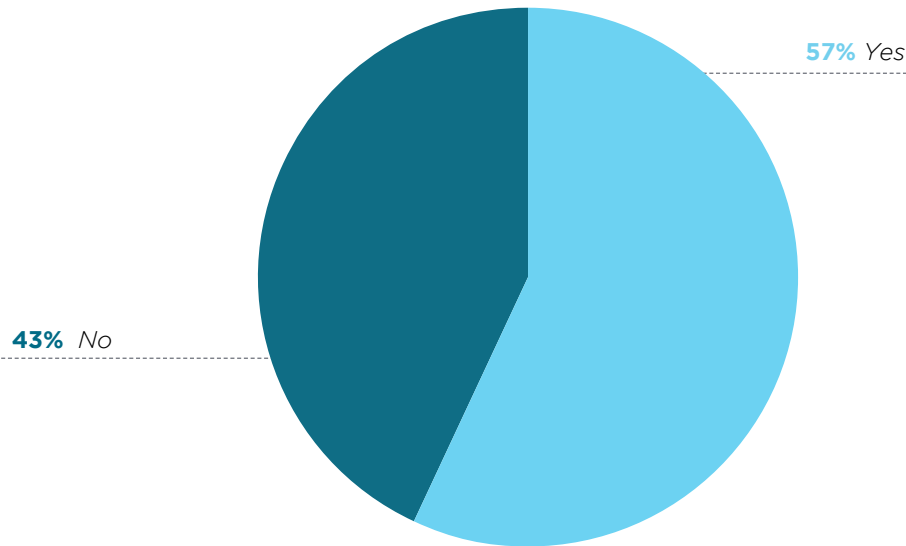
Contrary to what many think, salary is not a guarantee of retention for a qualified and capable professional. Most of the professionals (70%) believe that career development is the main reason why people quit. Seeking new challenges, the increase in professional scope, time development, and management are some of the main reasons for these changes.

In spite of it, it is important to note that a little more than 64% of the professionals affirm that they are considering leaving their job if they do not have an increase in their salary within the next 12 months.

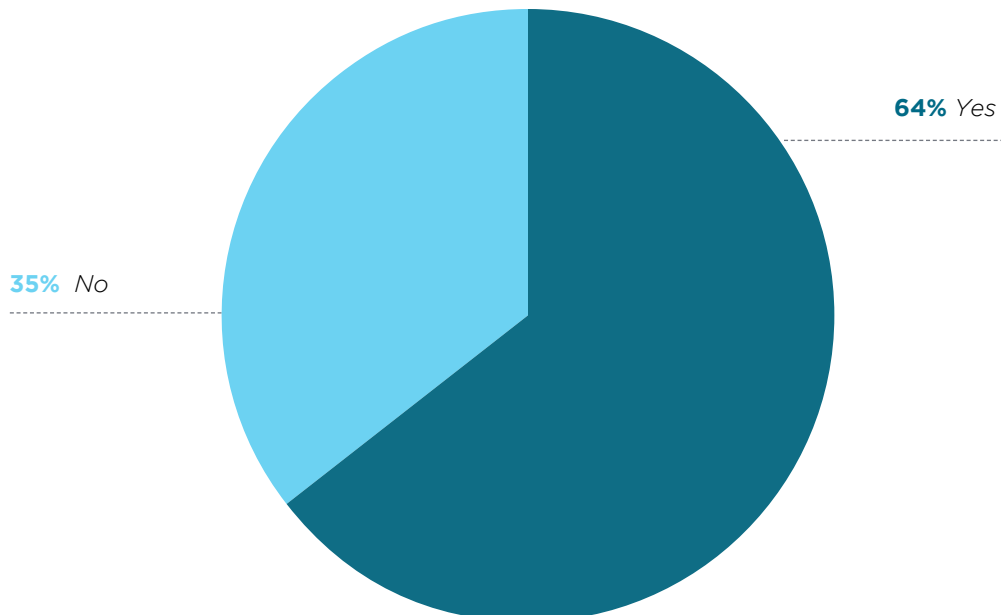
WHAT HAVE YOU FOUND TO BE THE MOST COMMON REASON FOR PEOPLE LEAVING THE BUSINESS?



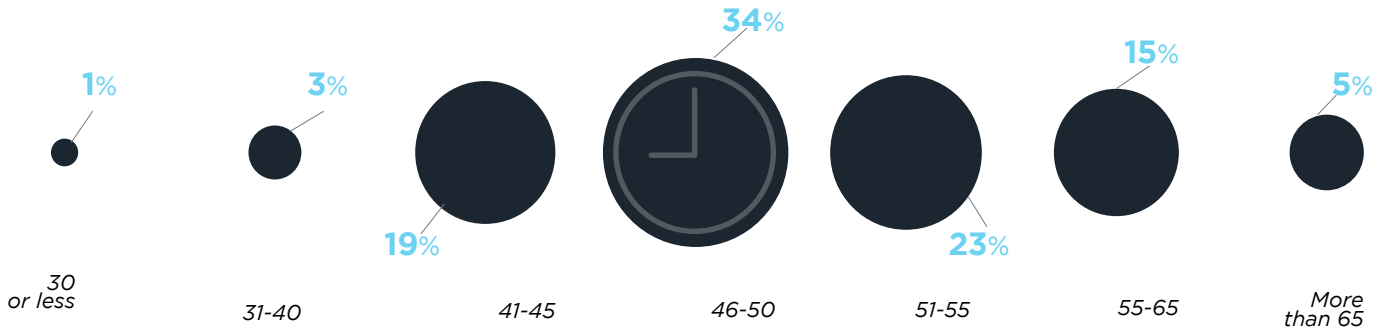
DID YOU RECEIVE A PAY RISE IN THE LAST 12 MONTHS?



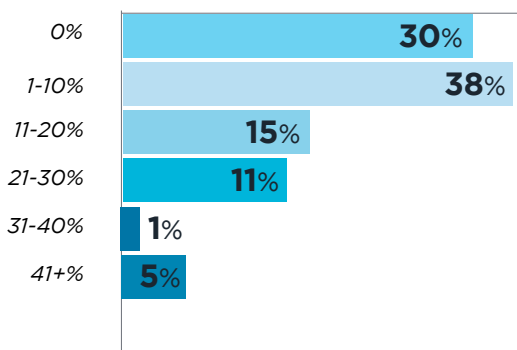
IF YOU DO NOT RECEIVE A PAY RISE IN THE NEXT 12 MONTHS, WILL YOU CONSIDER LEAVING YOUR ROLE?



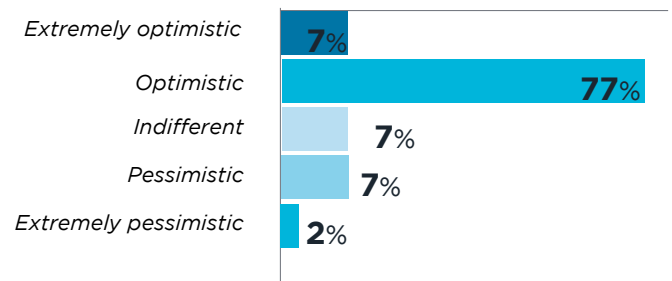
ON AVERAGE, HOW MANY HOURS A WEEK DO YOU WORK?



A PERCENTAGE OF YOUR DEPARTMENT, HOW MANY EMPLOYEES HAVE LEFT IN THE LAST 12 MONTHS?



HOW ARE YOU FEELING ABOUT THE FUTURE OF THE ECONOMY OVER THE NEXT 12 MONTHS?



	<i>MIN</i>	<i>MAX</i>	<i>MIN</i>	<i>MAX</i>
	MEDIUM-SIZE		LARGE SIZE	
LEGAL				
Junior Lawyer	R\$ 4.000,00	R\$ 5.200,00	R\$ 4.200,00	R\$ 5.800,00
Mid-level Lawyer	R\$ 5.500,00	R\$ 7.200,00	R\$ 6.000,00	R\$ 8.500,00
Senior Lawyer	R\$ 8.000,00	R\$ 12.500,00	R\$ 9.000,00	R\$ 13.500,00
Legal Manager / Head of Legal	R\$ 16.000,00	R\$ 30.000,00	R\$ 20.000,00	R\$ 35.000,00
Legal Director	R\$ 25.000,00	R\$ 35.000,00	R\$ 30.000,00	R\$ 45.000,00
General Counsel Latam / VP	from R\$ 35.000,00		from R\$ 40.000,00	
COMPLIANCE				
Compliance Manager	R\$ 15.000,00	R\$ 25.000,00	R\$ 20.000,00	R\$ 35.000,00
Compliance Director	R\$ 25.000,00	R\$ 35.000,00	R\$ 30.000,00	R\$ 50.000,00

The amount mentioned above refer to the monthly remuneration, excluding Bonus payment. The bonus payment can be changed according to the size and segment of the company, varying between 15% and 30% of the annual cash and can reach up to 12 wages for special positions.