

ABOVE THE LAW

2018 Solo & Small Firm Compensation Survey Report



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– Billie Tarascio, Managing Member
Modern Law
Mesa, Arizona



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The 2018 [Biglaw Salary War](#), one of the major legal media stories of the year, is actually irrelevant to the majority of practicing attorneys. Solo practitioner and small-firm attorney compensation, by contrast, is a matter of far less transparency and attention, yet much greater actual relevance to most lawyers. Law firms employ three-quarters of all attorneys, and [95 percent of firms have 20 lawyers or fewer](#). Reliable, detailed information on compensation for this majority of the profession is scarce. So mindful of this gap, we present this second installment of our ATL Solo and Small Firm Compensation Report. (The first came out in 2016.)

Small firm associates thinking of making a move need more compensation transparency in order to make smart career decisions. We hope that these survey findings will be a useful resource in shedding some light on the specific dimensions of compensation practices across solo and smaller legal practices.

We fielded the survey between June and August 2018. The Survey captured the following data points:

- **Total annual compensation**
- **Target bonus (as a percentage of base pay)**
- **Actual bonus**
- **Average raise**
- **Percentage of total compensation based on collections**
- **Percentage of total compensation based on origination fees**

All of the above are segmented by position, firm size, and practice area. This survey was conducted in partnership with our friends at Clio, the leaders in practice and case management software. To underscore and expand on the ATL Survey findings, we have supplemented this reports with excerpts from Clio's state-of-the-art Legal Trends Report.

We hope it it serves as a resource for both law students considering joining a small firm, as well as practicing attorneys looking to benchmark their own compensation.

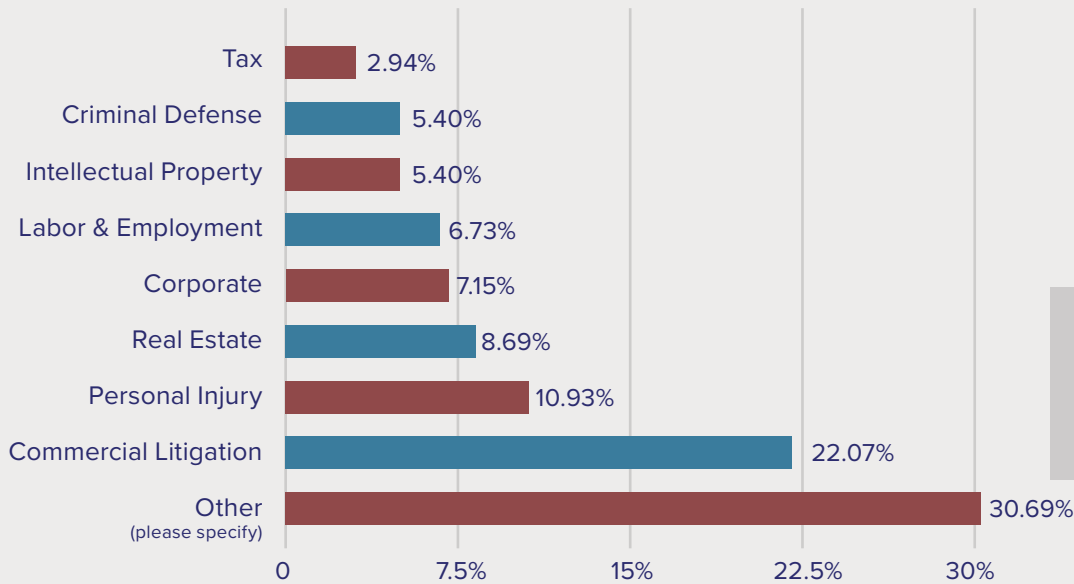
RESPONDENT DEMOGRAPHICS

1,500+
respondents

71%
work in a city or metro area
with a population of
one million+

61% associates
33% partners
6% counsel

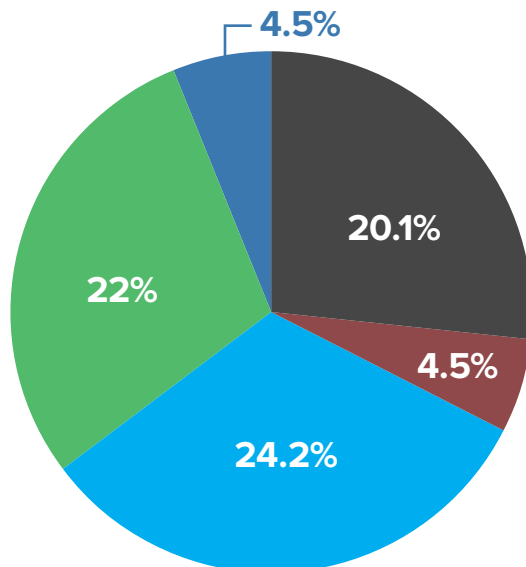
PRACTICE AREA



FIRM SIZE

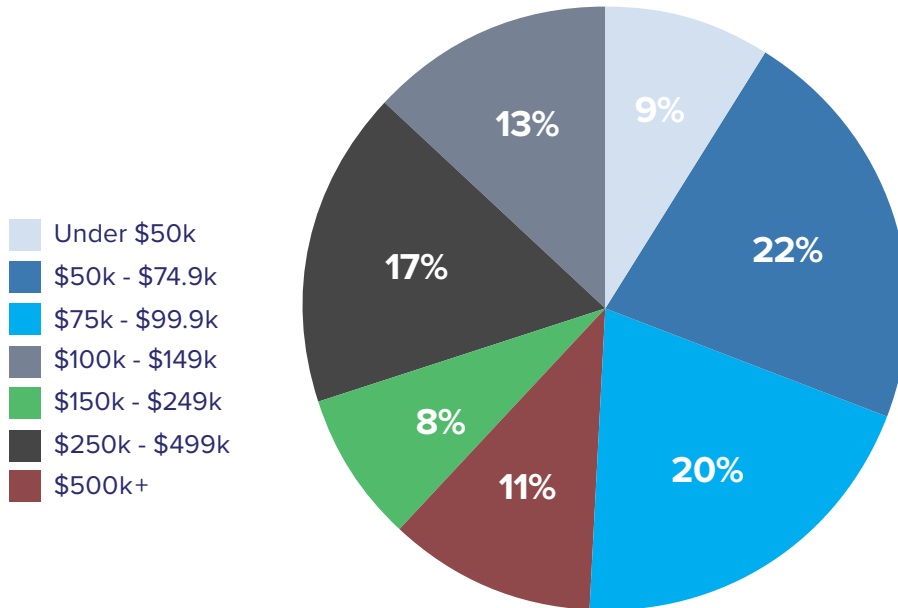
Number of attorneys

- Solo
- 2-5
- 6-10
- 11-25
- 26-50



COMPENSATION

ALL RESPONDENTS

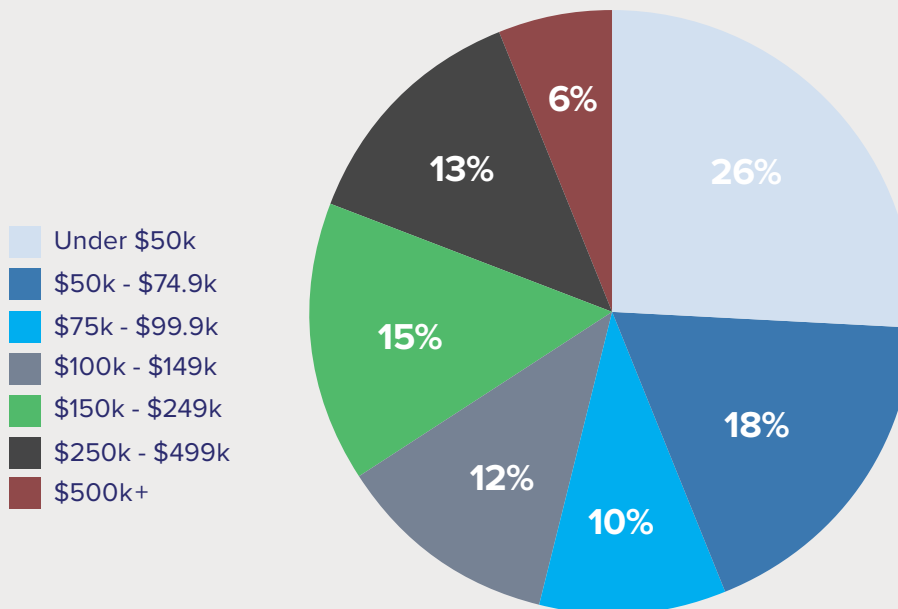


42%
of respondents earn between
\$50,000 and \$100,000,
up 2% from the 2016 survey

30%
earn **\$250,000+,**
up 3% from 2016

9%
earn less than **\$50,000,**
down 2%+ from 2016

SOLO PRACTITIONERS



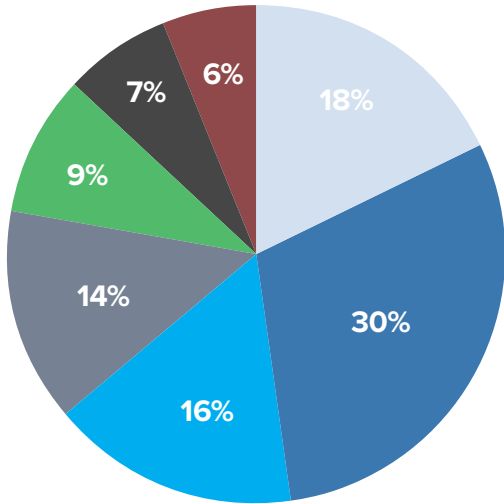
More than **one-quarter of solos** reported annual compensation of **less than \$50,000,** consistent with earlier findings.

19% reported
more than \$250,000,
up 4% from 2016.

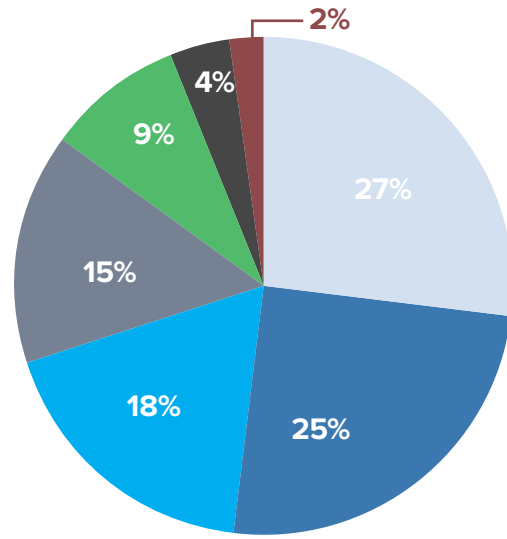
SURVEY FINDINGS



**COMPENSATION:
FIRM SIZE 2-5 ATTORNEYS**

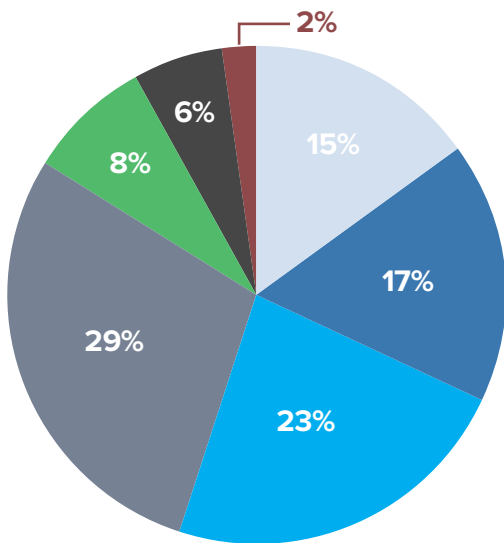


**COMPENSATION:
FIRM SIZE 6-10 ATTORNEYS**



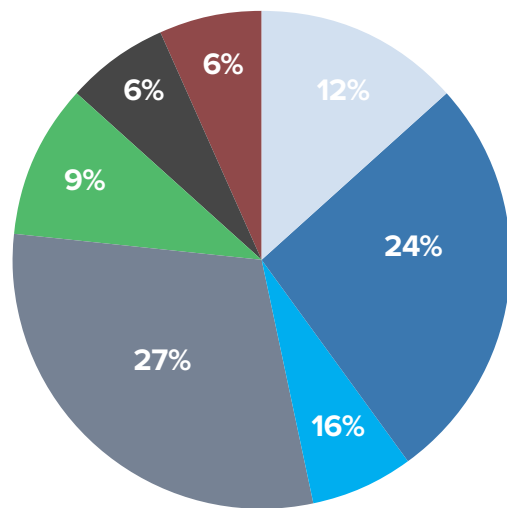
For firms of between 2 and 10 attorneys, the largest segment of respondents reported annual compensation in the **\$50,000 to \$74,999 range**, consistent with previous findings.

**COMPENSATION:
FIRM SIZE 11-25 ATTORNEYS**



For firms in the 11-25 attorney category, **\$100,000-\$149,000** was the most common choice, followed by **\$75,000 to \$99,999**.

**COMPENSATION:
FIRM SIZE 26-50 ATTORNEYS**

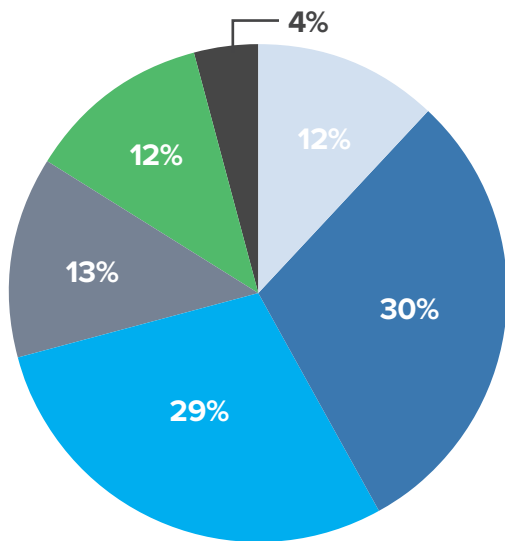


For respondents at the largest cohort of “small” firms, more than one-quarter earned in the **\$100,000-\$149,000** range, while slightly more than one-fifth earned **\$150,000+**.

COMPENSATION BY POSITION

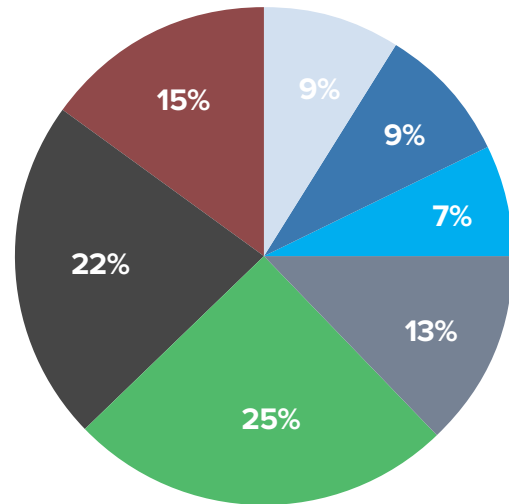


COMPENSATION: OF ASSOCIATES



A majority of **associates (59%)** at all levels and all categories reported earning in the **\$50,000 to \$99,999** range.

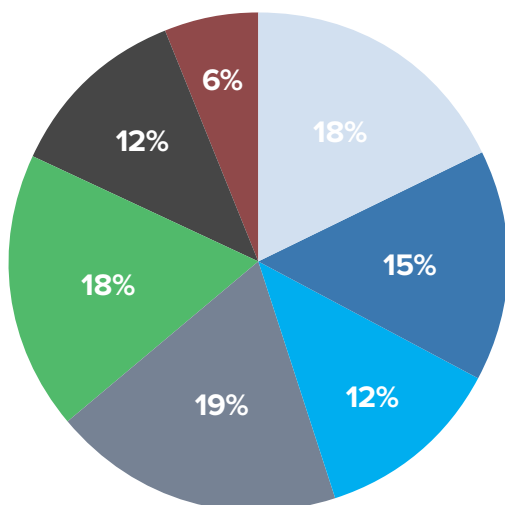
COMPENSATION: OF PARTNERS



A majority (**62%**) of **partners** in all firm categories earn **more than \$150,000**.

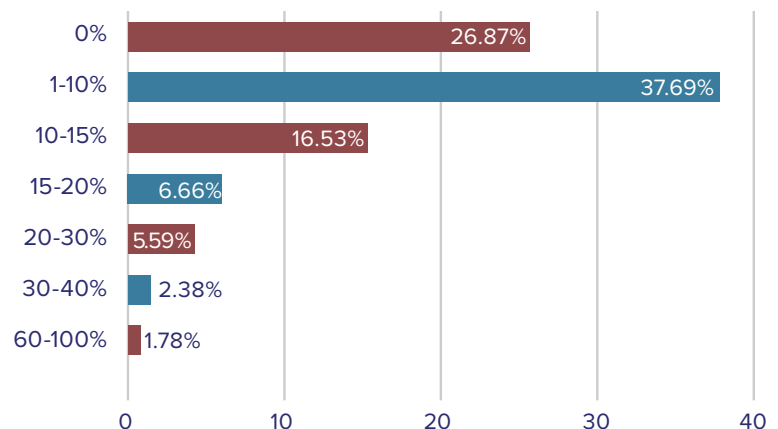
37% of partners reported earning **\$250,000 or more**.

COMPENSATION: OF COUNSEL



Equivalent proportions of **counsel** reported earnings of **either less than \$50,000** or **between \$150,000 and \$249,000**.

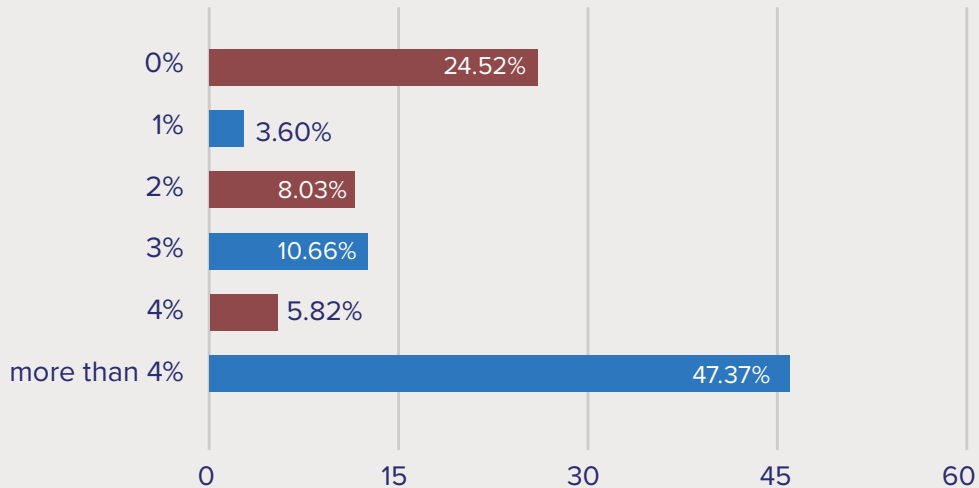
TARGET BONUS (AS PERCENTAGE OF PAY)



Completely consistent with earlier findings, there seems to be little correlation between target bonus (as a percentage of base) and firm size. **64%** of all respondents received bonuses **between 0-10%** regardless of their firm size.

AVERAGE RAISES

AVERAGE RAISES RECEIVED OVER THE PAST FEW YEARS

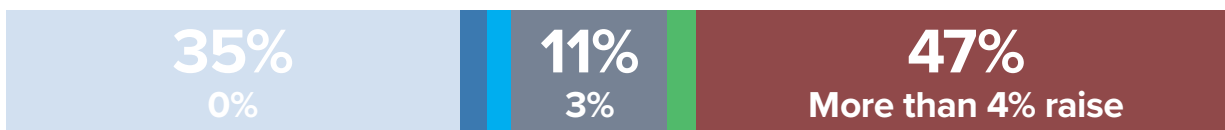


AVERAGE RAISES BY SIZE OF FIRM

2-5 ATTORNEYS



6-10 ATTORNEYS



11-25 ATTORNEYS



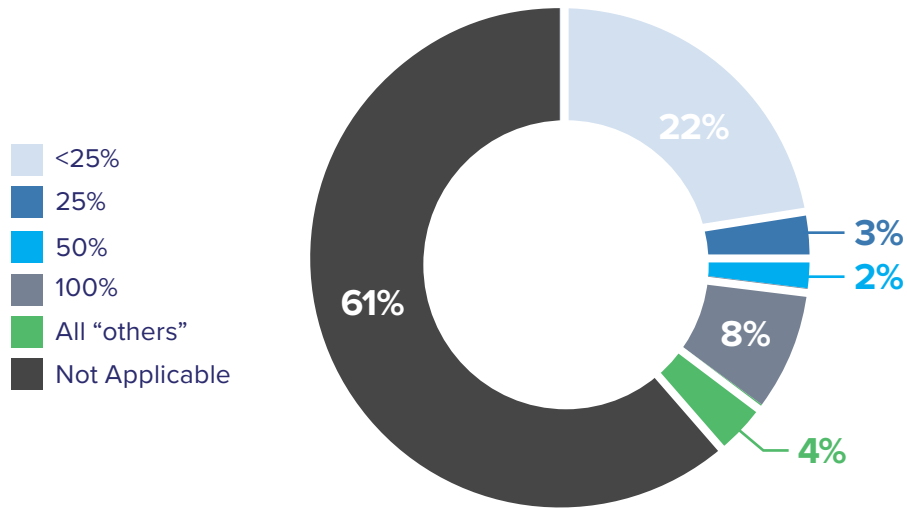
26-50 ATTORNEYS



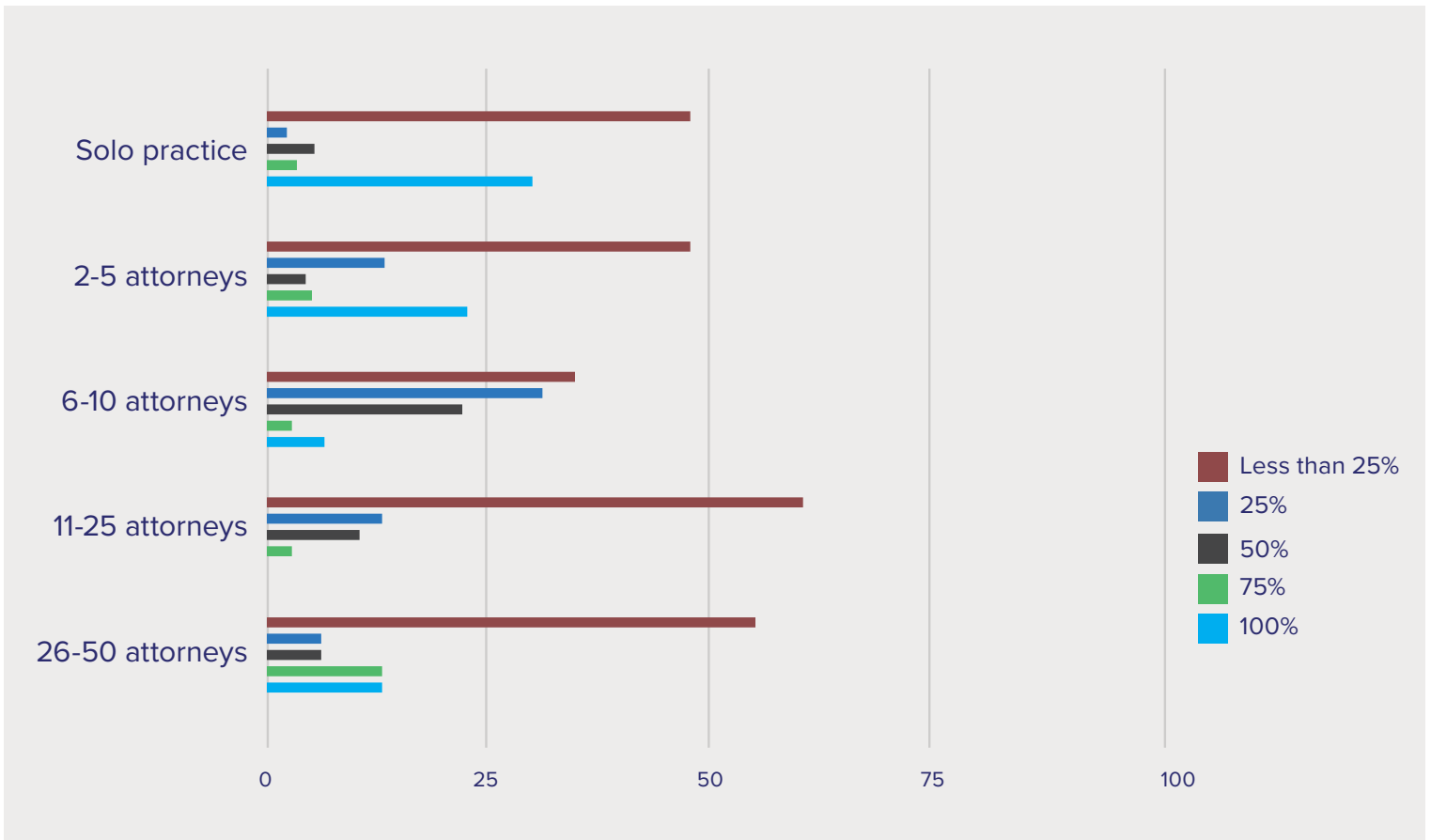
The highest proportion of attorneys receiving **no raise** was among the firms in the **6-10 attorney range**.

The highest proportion receiving the **largest raises** (more than 4%) was among firms in the **11-25 attorney category** (50%).

PERCENTAGE OF TOTAL COMPENSATION BASED ON COLLECTIONS

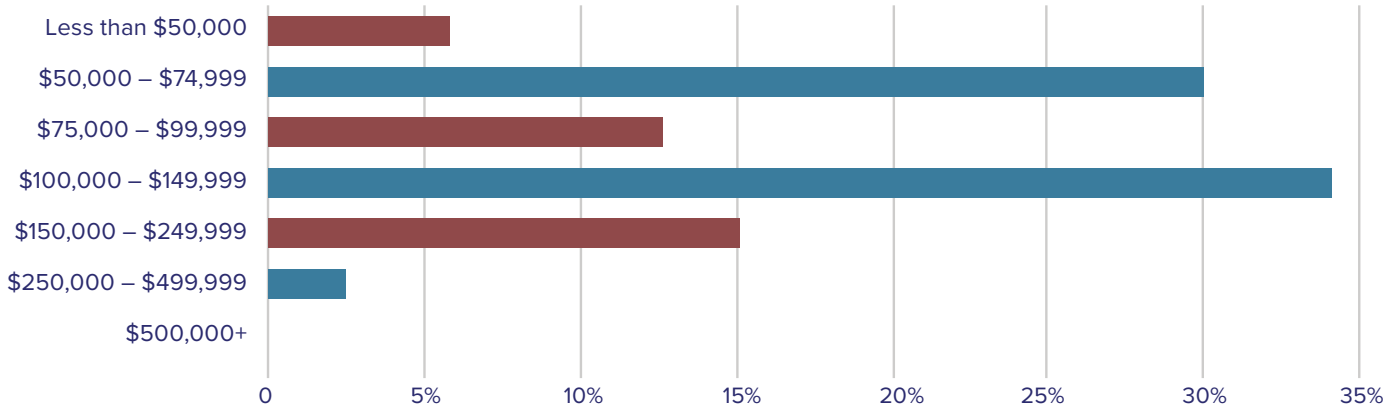


PERCENTAGE OF TOTAL COMPENSATION BASED ON ORIGINATION FEES

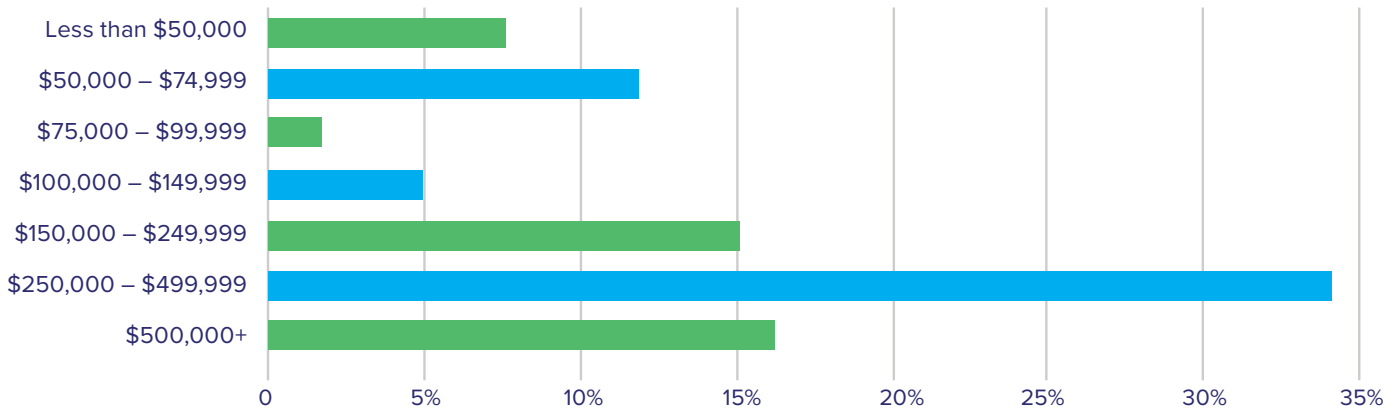


APPROXIMATE ANNUAL COMPENSATION BY PRACTICE AREA

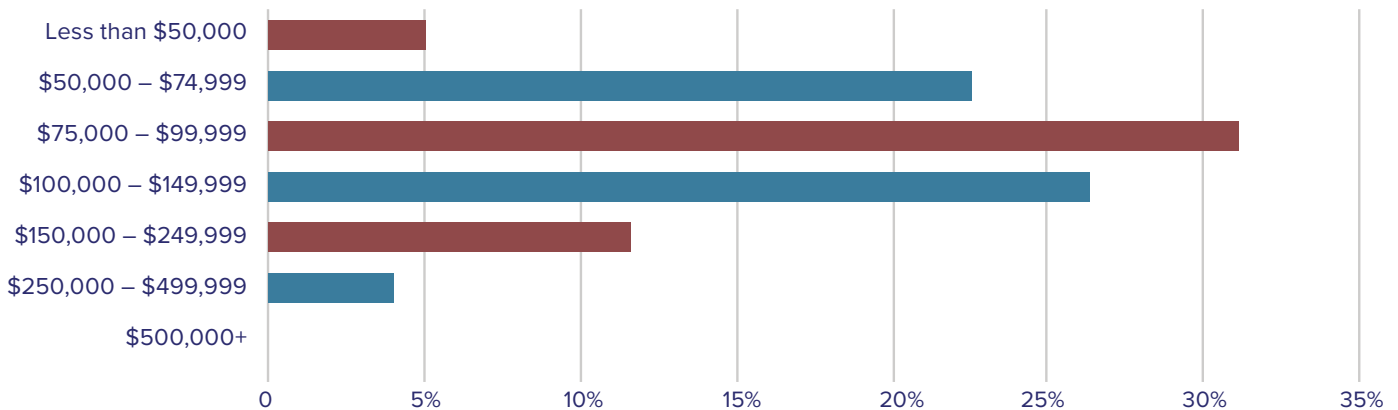
CORPORATE ASSOCIATES



CORPORATE PARTNERS

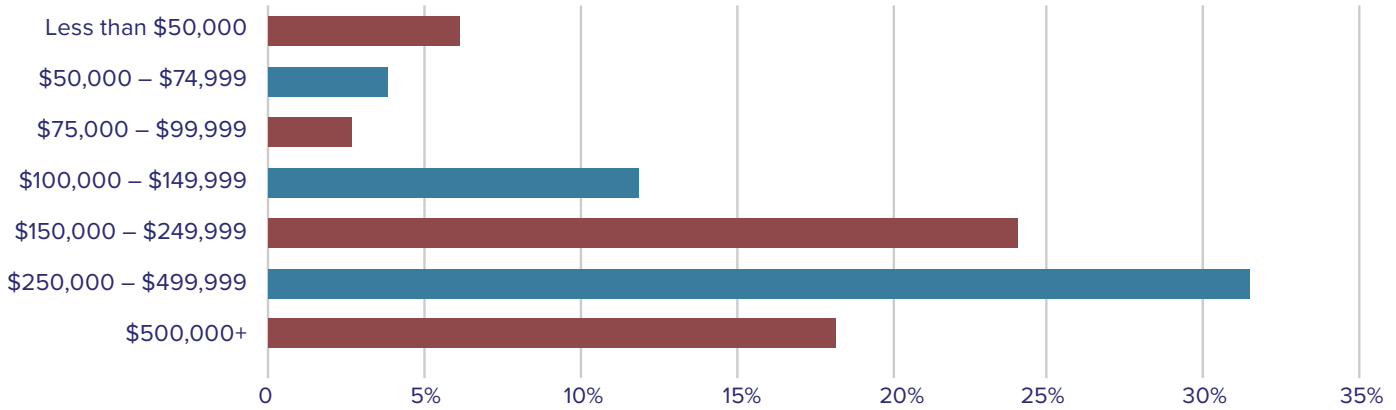


LITIGATION ASSOCIATES

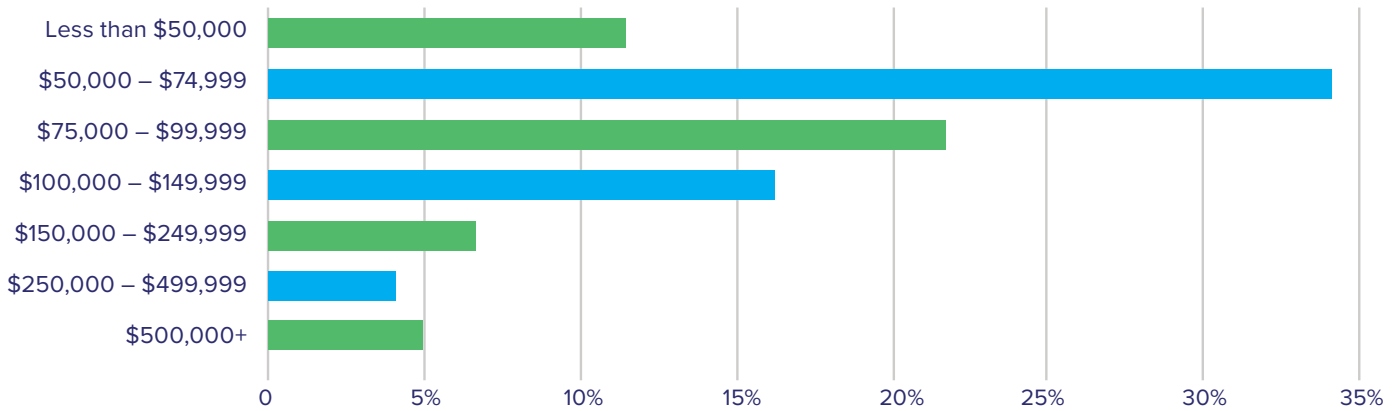


APPROXIMATE ANNUAL COMPENSATION BY PRACTICE AREA

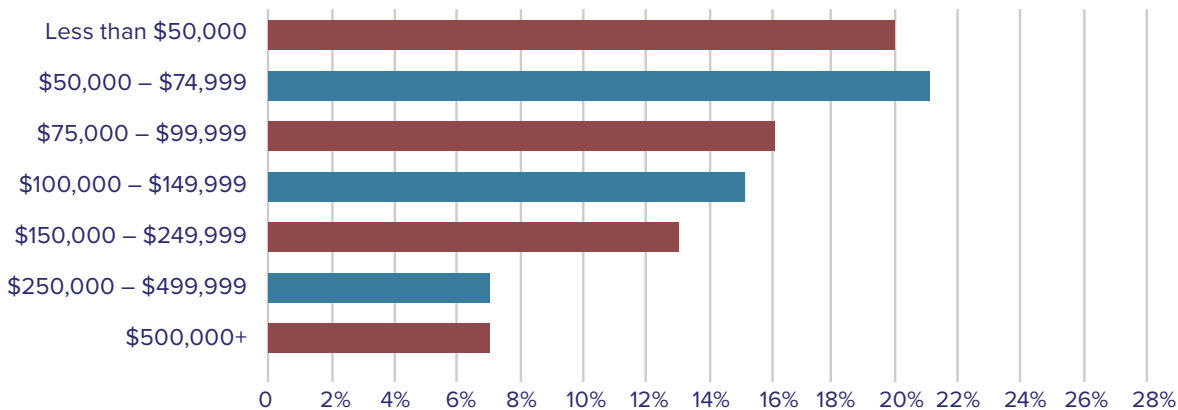
LITIGATION PARTNERS



PERSONAL INJURY (ALL)

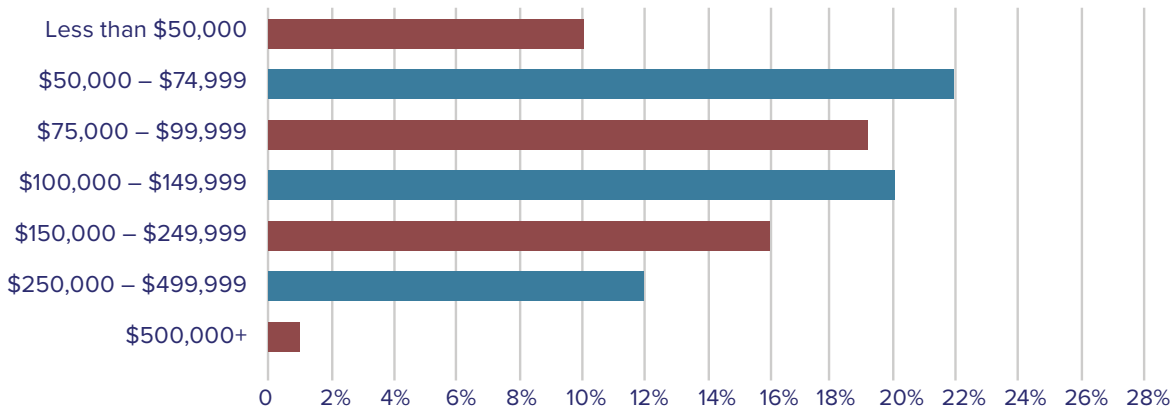


CRIMINAL DEFENSE (ALL)

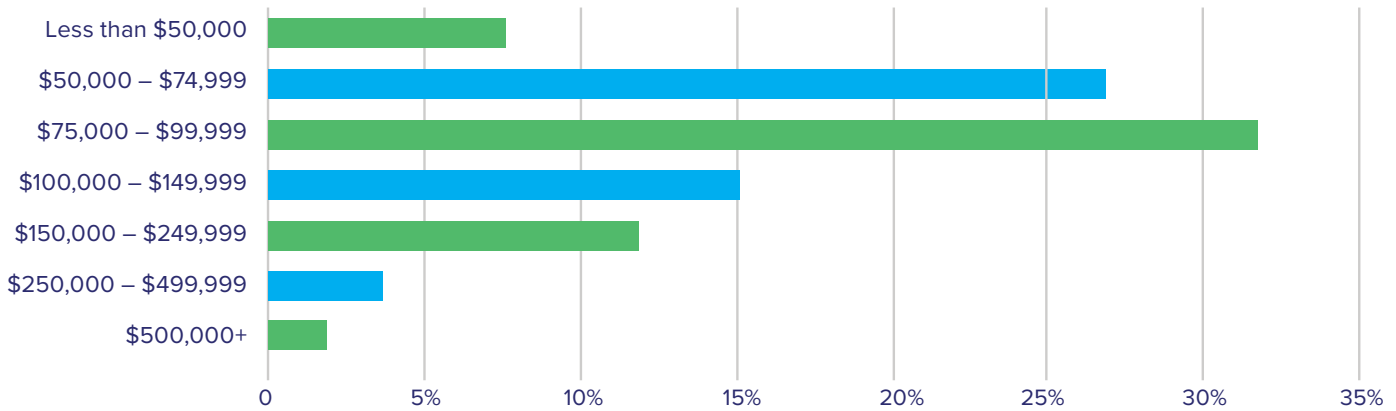


APPROXIMATE ANNUAL COMPENSATION BY PRACTICE AREA

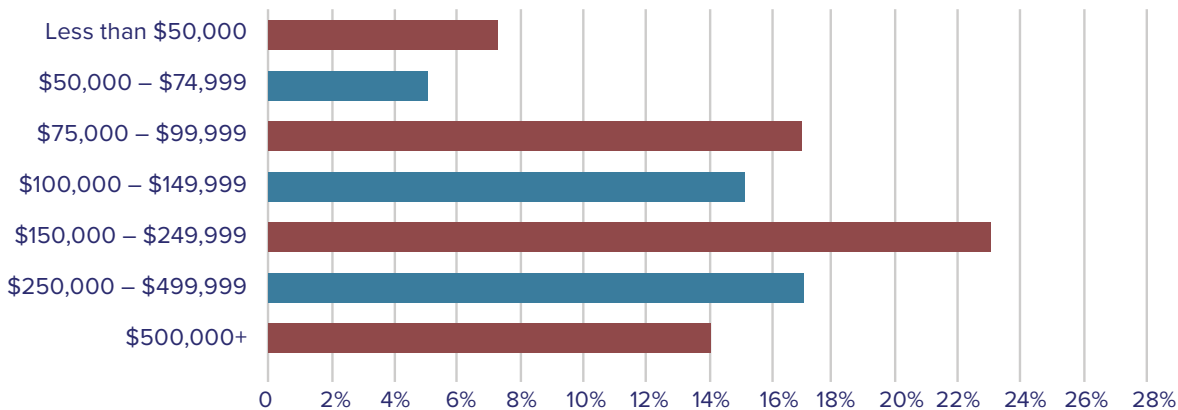
REAL ESTATE (ALL)



LABOR & EMPLOYMENT (ALL)

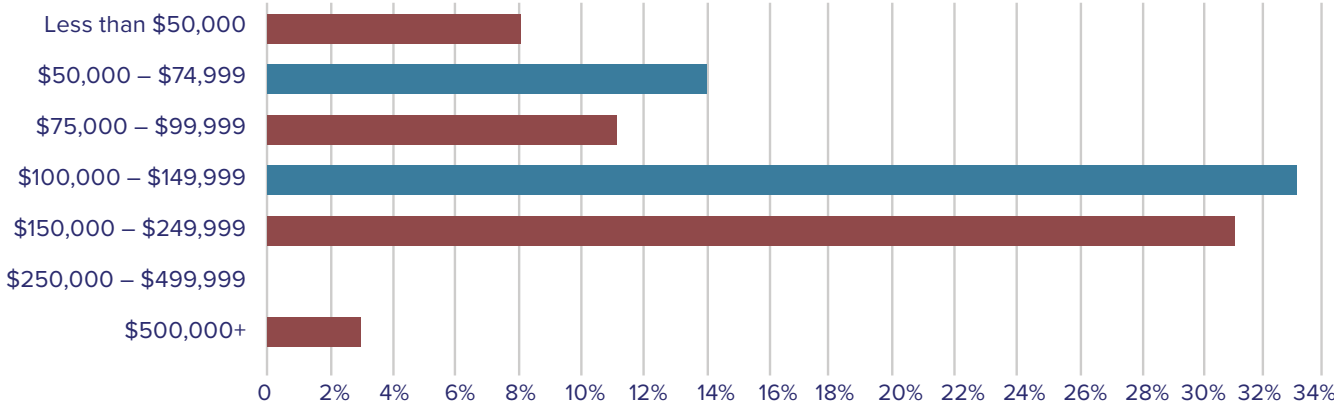


INTELLECTUAL PROPERTY LAW (ALL)



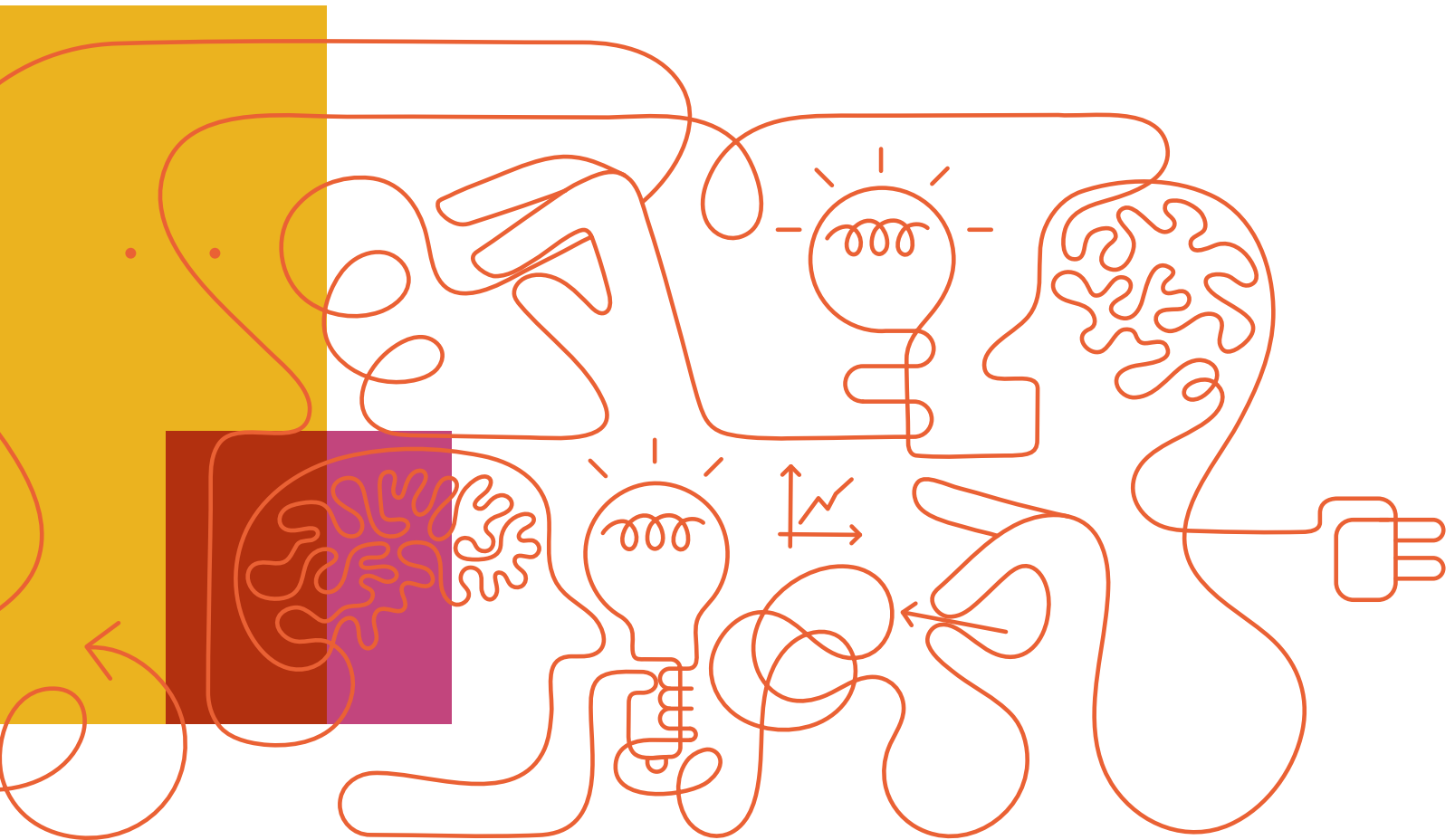
APPROXIMATE ANNUAL COMPENSATION BY PRACTICE AREA

TAX LAW (ALL)



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LEGAL TRENDS REPORT

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