

Legal Salary Review, Moscow Private Practice, 2009

The current review covers the information on the salary levels paid by leading law firms in Moscow in 2009.

This review includes compensations for qualified lawyers at all levels except Counsel / Partner positions. It continues the 2008 review, basing on the analysis of the same legal salaries structure and law firms' types (for more detailed information, please, see Salary Review 2008. Moscow Private Practice). The salaries in the review are in USD per year before taxes.

INTRODUCTION

The economic changes 2008-2009 have negatively affected the number of projects in law firms, which brought about a decrease of the annual revenue in many firms. In this situation one of the most popular measures to cut costs was to reduce staff and salary.

Most of the law firms have implemented the strategy of limited new staff hire or declared about hire freeze.

Moreover, the number of programs and summer internships for young professionals has dramatically decreased, with only few trainees and paralegals promoted to the associate position in 2009.

Furthermore, about 30 % of law firms have cut salaries for their associates. In many firms compensations were nominated in RUR and haven't been reviewed in 2009.

GROUP A

This group includes top US firms (premium segment).

Year of qualification (graduation year)	Core range
2008	100-150
2007	130-170
2006	150-190
2005	180-210
2004	200-240
2003	230-270
2002+	270+

Comments:

This group of firms has not changed the salary levels regardless the financial crisis. The compensation payment is still based on the Lock Step system. However, it should be noted that the increase in payments is not as high as in the previous years. The increase is between 10 -15% in comparison with 2008.

GROUP B

This group includes leading/ major UK law firms (they are also known as Magic Circle law firms). These firms usually have big offices (from 60 to 100 lawyers), clear division into practice areas and wide range of law services they provide to the clients.

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Year of qualification (graduation year)	Core Range
Junior 2008-2005	60-160
Mid 2005-2002	120-200
Senior 2001+	200-250

Comments:

The common trend for the firms of this group is "freeze" of salaries at 2008 level. Moreover, in a number of firms the compensation level has been decreased and a special bond has been introduced: the payments should not exceed the maximum value of the bond.

GROUP C

Leading US law firms. They have similar structure as the leading UK firms (big offices and division into practice areas). Their major difference is that the compensation level usually corresponds with the year of qualification.

Year of qualification (graduation year)	Core Range
2008	30-50
2007	40-70
2006	60-90
2005	80-120
2004	110-140
2003	120-150
2002+	150-220

Comments:

The common trend for those firms is salaries 'freeze' at 2008 level. In a number of firms compensations have been decreased for 10-20%. It should be noted that the cases of salary increase in 2009 were occasional and based on the personal performance criteria.

GROUP D

This group includes mid-size UK law firms, European law firms, and leading Russian law firms.

Year of qualification (graduation year)	Core Range
Junior 2008-2005	30-60
Mid 2005-2002	60-100
Senior 2001+	120-160

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Comments:

We have not noted any freezable changes in the salary level in this group of firms. Payments keep mostly at the same level, except few firms where salaries have been increased for less than 10 %.

GROUP E

This group includes Big 4 legal practices.

Year of qualification (graduation year)	Core Range
Junior 2008-2005	20-40
Mid 2005-2002	40-60
Senior 2001+	90-120

Comments:

Officially, the salaries have been 'frozen' at 2008 level, a number of firms where salaries have been increased for less than 10 %. However due to the US dollar range change exchange rate the payments have been decreased.

GROUP F

This group includes mid-sized Russian law firms.

Year of qualification (graduation year)	Core Range
Junior 2007-2005	20-40
Mid 2005-2002	40-60
Senior 2001+	70-90

Comments:

In a number of firms the base part of the salary has been split into two parts (fifty- fifty split): a base part and a bonus part. The bonus part (of the compensation) depends on the number of factors, being discretionary and decided by the firm management.

*For more detailed information on the salary structures traditional for the Moscow offices of the law firms, please, see Salary Review 2008. Moscow Private Practice.