

MAJOR, LINDSEY & AFRICA 2010 PARTNER COMPENSATION SURVEY

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On June 1, 2010, Major, Lindsey & Africa (MLA) launched its seminal 2010 Partner Compensation Survey. The Survey, which was sent to more than 30,000 law firm partners across the United States, represents the most comprehensive effort ever undertaken to identify ranges of partner compensation, the criteria law firms use in determining partner compensation, and the satisfaction of law firm partners with their compensation and compensation systems. The Survey was administered on behalf of MLA by ADF Research, an independent marketing and research company, which allowed respondents to answer confidentially and anonymously.¹

This Report provides (i) an overview of the Survey, (ii) the demographical breakdown of the respondents to the Survey, (iii) selected highlights of compensation and other practice metrics as reported by the respondents, (iv) selected highlights of compensation satisfaction, factors and systems as reported by the respondents, and (v) an overview of various factors perceived by respondents to be important in the determination of their compensation.

I. THE SURVEY

The Survey consisted of 33 questions, broken down into three major categories:

- 1. Demographical information about each respondent and the respondent's law firm, including:
 - Law school graduation year (Question 1)
 - Years as a partner (Question 2)
 - Partnership status (i.e., Equity vs. Non-Equity) (Question 3)
 - Primary practice area (Question 4)
 - City (*Question 5*)
 - Lateral status (i.e., "home grown" vs. lateral) (Question 6)

¹ A copy of the Survey and accompanying cover letter is attached as <u>Appendix 1: Survey</u>. Data for this Survey was collected using an online questionnaire hosted by ADF Research. See <u>Appendix 2: Methodology</u>.



- Compensation transparency of firm (i.e., open vs. closed compensation system)
 (Question 10)
- Lockstep nature of firm's compensation system (i.e., lockstep vs. non-lockstep)
 (Question 17)
- Size of law firm (*Question 30*)
- Law firm's Profits Per Partner (PPP) as reported in The American Lawyer (Question 31)
- Gender (Question 32)
- Ethnicity (*Question 33*)

2. Objective information about a respondent's compensation and practice metrics, including:

- For lateral respondents, whether their compensation changed as a result of the lateral move and, if so, by what percent (*Questions 7-9*)
- Total compensation for 2009 (Question 11)
- Total originations for 2009 (Question 12)
- Total working attorney receipts for 2009 (*Question 13*)
- Standard hourly billing rate for 2009 (Question 14)
- Total billable hours for 2009 (Question 15)
- Total non-billable hours for 2009 (Question 16)

3. Subjective information about a respondent's perception of his or her compensation and compensation system, including:

- Factors perceived by respondent to be important to the firm in determining compensation (*Question 18*)
- Factor perceived by respondent to be <u>most</u> important to the firm in determining compensation (Question 19)
- Factor which respondent believes <u>should be most</u> important in determining compensation (*Question 20*)
- Whether there has been a change in the importance of factors and, if so, which factors have become more important or less important (*Questions 21-23*)
- Satisfaction with total compensation (*Question 24*)
- For those respondents who were not satisfied with their compensation, whether such dissatisfaction was attributable to any perceived bias (*Question 25*)
- Whether respondent believed his or her compensation should be higher and, if so, by what percent (*Questions 26-27*)
- Whether respondent would like to see changes in his or her compensation system and, if so, what changes were desired (*Questions 28-29*)



II. THE RESPONDENTS

A total of 1,873 law firm partners from across the country responded to the Survey. <u>Appendix 3:</u> <u>Respondents</u> provides a breakdown of respondents by:

- 1. Years as Partner
- 2. Partnership Status
- 3. Practice Area
- 4. City
- 5. Lateral Status
- 6. Compensation Transparency
- 7. Lockstep Type
- 8. Total Compensation
- 9. Firm Size
- 10. Firm PPP
- 11. Gender
- 12. Ethnicity

As is customary with surveys of this nature, not every respondent answered every question. Each table in **Appendix 3** notes the actual number of respondents for each category. In order for us to present the data in a user-friendly format, it was necessary, in certain cases, to group individual respondents into larger groups as noted in **Appendix 3**.

III. COMPENSATION AND OTHER PRACTICE METRICS

Questions 11 through 16 of the Survey dealt with the principal practice metrics of the respondents for 2009 (the last full calendar year available), including: compensation (Q.11), originations (Q.12), working attorney receipts (Q.13), billing rate (Q.14), billable hours (Q.15), and non-billable hours (Q.16). In each case, the data was then sorted by the following categories:

- 1. Years as Partner
- 2. Partnership Status
- 3. Practice Area
- 4. City
- 5. Compensation Transparency

² See the related questions in <u>Appendix 1: Survey</u> for the definitions of each of these terms as used in the Survey.



- 6. Lockstep Type
- 7. Firm Size
- 8. Firm PPP
- 9. Gender
- 10. Ethnicity

See <u>Appendices 4-9</u> for a complete breakdown of compensation and other practice metric data by categories. Numbers in parentheses (e.g., 4.1) in the subsection headings below refer to the corresponding tables in the Appendices.

A. Compensation (Question 11)

A total of 1,722 respondents provided their compensation data, with reported compensation ranging from less than \$100,000 (10 respondents) to over \$6.1 million (1 respondent). Average compensation for all respondents was \$640,000.

<u>Years as Partner (4.1); Partnership Status (4.2)</u>: Not surprisingly, when sorted by Years as Partner, average compensation climbs steadily by tenure grouping, ranging from \$399,000 for those in the 1-5 year category up to \$908,000 for those in the 21+ year category. Similarly, while we expected that Equity partners would significantly outpace Non-Equity partners in compensation, the level of disparity was enlightening: Partners in the Equity category averaged \$811,000 in compensation, whereas Non-Equity partners lagged significantly behind at \$336,000.

<u>Practice Area (4.3)</u>: Among the seven categories used in the preparation of this Report (Litigation, Corporate, IP, Labor and Employment, Real Estate, Tax/ERISA and Other), Labor & Employment partners reported average compensation of just \$470,000, compared to a high of \$759,000 for Corporate partners, a disparity of over 50%. In descending order, average compensation for the seven categories was:

		<u>Compensation</u>
1.	Corporate	\$759,000
2.	Litigation	\$679,000
3.	Tax/ERISA	\$641,000
4.	Other	\$616,000
5.	IP	\$601,000
6.	Real Estate	\$506,000
7.	Labor and Employment	\$470,000



<u>City</u> (4.4): The disparity in compensation was even more pronounced when sorted by City. Average compensation ranged from a low of \$368,000 in Seattle to a high of \$938,000 in New York, a difference of over 150%. In descending order, average compensation for the 11 cities was:³

		Compensation
1.	New York	\$938,000
2.	Los Angeles	\$725,000
3.	Houston	\$704,000
4.	DC/Northern VA	\$702,000
5.	San Francisco	\$667,000
6.	Boston	\$618,000
7.	Dallas	\$599,000
8.	Philadelphia	\$533,000
9.	Chicago	\$524,000
10.	Atlanta	\$463,000
11.	Seattle	\$368,000

Compensation Transparency (4.5)/Lockstep Type (4.6): Partners in Open compensation systems reported nearly 50% higher average compensation (\$718,000) when compared to partners in Closed (\$495,000) and Partially Open (\$513,000) systems. When sorted by Lockstep Type, Pure Lockstep partners reported average compensation of \$758,000, compared to average compensation of \$657,000 for Non Lockstep partners. Interestingly, partners who classified their compensation system as Generally Lockstep reported significantly lower compensation than both categories, with an average compensation of \$534,000.

Firm Size (4.7); Firm PPP (4.8): When sorted by both Firm Size and Firm PPP, generally speaking, the larger the firm/PPP, the higher the average compensation. Average compensation at firms of 1-50 lawyers was \$388,000, climbing to an average of \$881,000 at firms with greater than 1,000 lawyers. Partners at firms with PPP between \$250,000-\$500,000 reported average compensation of \$346,000, compared to average compensation of \$1,606,000 at firms with PPP in excess of \$2 million.

Gender (4.9)/Ethnicity (4.10): In what will likely be a surprise to no one, when sorted by Gender, male partners' average compensation was approximately 30% higher than female partners, \$675,000 compared to \$513,000. Equally unsurprising, the average compensation of White partners was \$648,000, compared to \$550,000, \$514,000 and \$510,000 for Black, Asian Pacific and Hispanic partners, respectively.⁵

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³ <u>Table 4.4</u> also includes median compensation data for each city. Median data for each of <u>Appendices 4.9</u> will be available later this month.

⁴ It is worth noting, however, that only 13 respondents identified themselves as Pure Lockstep.

⁵ As noted in <u>Appendix 3: Respondents</u>, the number of respondents categorizing themselves as American Indian (2), Native Hawaiian or Pacific Islander (3), and Mixed Races (22) was so small that it is difficult to draw any meaningful conclusions.



See **Appendix 4: Compensation** for a complete breakdown of average Compensation by category.

Changes in Compensation for Laterals (4.11; 4.12; 4.13)

Questions 7 through 9 of the Survey were directed at lateral respondents, and asked whether their compensation changed as a result of the lateral move and, if so, by what percent. A total of 859 respondents answered this question. Approximately 57% of all respondents saw their compensation increase as a result of the lateral move, approximately 9% saw it decrease, and approximately 34% saw their compensation stay basically the same. While these percentages were remarkably consistent across men and women, the amounts by which their respective compensation increased or decreased did vary. See <u>Tables</u> 4.11 through 4.13 for a breakdown of these results.

B. Originations (Question 12)

A total of 1,688 respondents provided their originations data, with reported originations ranging from less than \$100,000 (186 respondents) to over \$30 million (3 respondents). Average originations for all respondents was \$1,838,000.

<u>Years as Partner (5.1): Partnership Status (5.2):</u> Originations data showed the same trends for these two categories as Compensation data. When sorted by Years as Partner, average originations climbed steadily by tenure grouping, ranging from \$819,000 for those in the 1-5 year category up to \$2,978,000 for those in the 21+ year category. Equity partners reported average originations of \$2,489,000, more than three times the \$704,000 average reported by Non-Equity partners.

<u>Practice Area (5.3)</u>: While average originations by Practice Area generally tracked compensation trends, most notably the Tax/ERISA partners, who ranked third in average compensation among Practice Areas, ranked last among the seven enumerated categories in originations with \$1,054,000. At the high end, Litigation partners reported average originations of \$2,361,000. In descending order, average originations for the seven categories are shown below (number in parentheses indicates corresponding average Compensation ranking):

		<u>Originations</u>
1.	Litigation (2)	\$2,361,000
2.	Corporate (1)	\$2,205,000
3.	Other (4)	\$1,800,000

Similarly, while 1,469 respondents categorized themselves as White, only 34, 30 and 56 respondents, respectively, categorized themselves as Black, Hispanic or Asian Pacific, again making meaningful comparisons difficult because of the relatively small population size.



4.	IP (5)	\$1,482,000
5.	Labor and Employment (7)	\$1,232,000
6.	Real Estate (6)	\$1,105,000
7.	Tax/ERISA (3)	\$1,054,000

<u>City</u> (5.4): Origination trends by City also tended to follow compensation trends. Average originations ranged from a low of \$1,053,000 in Seattle to a high of \$2,714,000 in New York, again a difference of more than 150%. In descending order, average originations for the 11 cities are shown below (number in parentheses indicates corresponding average Compensation ranking):

		<u>Originations</u>
1.	New York (1)	\$2,714,000
2.	Houston (3)	\$2,240,000
3.	DC/Northern VA (4)	\$2,144,000
4.	Los Angeles (2)	\$2,060,000
5.	San Francisco (5)	\$1,921,000
6.	Dallas (7)	\$1,854,000
7.	Boston (6)	\$1,787,000
8.	Philadelphia (8)	\$1,328,000
9.	Chicago (9)	\$1,270,000
10.	Atlanta (10)	\$1,180,000
11.	Seattle (11)	\$1,053,000

<u>Compensation Transparency (5.5)/Lockstep Type (5.6)</u>: As with compensation, Partners in Open compensation systems reported 50% higher average originations (\$2,121,000) when compared against partners in Closed (\$1,389,000) and Partially Open (\$1,309,000) systems. When sorted by Lockstep Type, the small handful of Pure Lockstep partners actually trailed Non Lockstep partners, \$1,868,000 to \$1,962,000, and once again Generally Lockstep partners reported significantly lower numbers than either category, with average originations of \$1,197,000.

Firm Size (5.7): Firm PPP (5.8): When sorted by both Firm Size and Firm PPP, generally speaking, the larger the firm/PPP, the higher the average originations. Notably, however, the 1-50 lawyer category reported average originations of \$952,000, which was higher than the \$840,000 average of the 51-200 lawyer category. Average originations at firms with greater than 1,000 lawyers were \$3,045,000. Partners at firms with PPP between \$250,000-\$500,000 reported average originations of \$834,000, compared to a high of \$5,065,000 at firms with PPP between \$1,750,000-\$2 million.



<u>Gender (5.9)/Ethnicity (5.10)</u>: Male partners averaged originations of \$1,998,000, which was approximately 50% higher than female partners, who averaged \$1,327,000. White partners averaged \$1,875,000 in originations, compared to \$1,392,000 for Black partners, \$1,552,000 for Hispanic partners, \$1,263,000 for Asian Pacific partners, \$850,000 for American Indian partners, \$2,217,000 for Native Hawaiian or Pacific Islanders and \$1,159,000 for the partners classifying themselves as Mixed Races.⁶

See **Appendix 5: Originations** for a complete breakdown of average Originations by category.

C. Working Attorney Receipts (Question 13)

A total of 1,619 respondents provided their working attorney receipts (WAR) data, with reported WAR ranging from less than \$100,000 (23 respondents) to over \$5 million (33 respondents). Given that an attorney who billed 2,500 hours at a billing rate of \$1,000 per hour would generate WAR of only \$2.5 million, it seems likely that a number of respondents either misunderstood the question or included contingency payments in their WAR calculation.

Average WAR for all respondents was \$1,113,000. WAR trends generally followed those enumerated above in Compensation and Originations. Notably, Pure Lockstep partners reported average WAR of \$1,815,000, outpacing both Non Lockstep and Generally Lockstep partners by a significant margin, with average WAR of \$1,101,000 and \$1,109,000 respectively.⁷ Average male and female WAR figures were \$1,115,000 and \$1,065,000 respectively.

See Appendix 6: Working Attorney Receipts for a complete breakdown of average WAR by category.

D. Billing Rate (Question 14)

A total of 1,702 respondents provided their hourly billing rate data, with reported billing rates ranging from \$101-\$125 (1 respondent) to \$1,101-\$1,125 (1 respondent). The average billing rate for all respondents was \$555. Once again, billing rate trends generally followed those enumerated above in Compensation and Originations, though the spreads were generally more compressed. For example, average reported billing rates for Equity and Non-Equity partners were \$591 and \$491, respectively. Average Practice Area rates ranged from \$462 for Labor and Employment to \$615 for Tax/ERISA. City data ranged from \$420 in Seattle to \$700 in New York, and the Male/Female averages were \$564 and \$523, respectively.

⁶ Ibid

⁷ Again, the number of partners classifying themselves as Pure Lockstep was relatively small (13).



See **Appendix 7: Billing Rates** for a complete breakdown of average Billing Rates by category.

E. Billable Hours (Question 15)

A total of 1,660 respondents provided billable hour data, with reported billable hours ranging from below 1,000 hours (109 respondents) to more than 3,000 hours (4 respondents). The average billable hours for all respondents was 1,657 hours.

Years as Partner (8.1): Partnership Status (8.2): Unlike the Compensation and Originations data, average billable hours fell steadily by tenure grouping, ranging from 1,717 billable hours for those in the 1-5 year category down to 1,543 hours for those in the 21+ year category. Interestingly, Equity partners (who presumably have greater seniority than Non-Equity partners) still had higher average billable hours (1,683) than Non-Equity partners (1,618).

Practice Area (8.3): Average billable hours by Practice Area also did not track Compensation trends. Litigation partners averaged a high of 1,817 billable hours, while Real Estate partners averaged a low of just 1,434 billable hours, just below Corporate partners at 1,501. In descending order, average billable hours for the seven categories are shown below (number in parentheses indicates corresponding average Compensation ranking):

		<u>Billable Hours</u>
1.	Litigation (2)	1,817
2.	IP (5)	1,751
3.	Labor and Employment (7)	1,675
4.	Other (4)	1,670
5.	Tax/ERISA (3)	1,629
6.	Corporate (1)	1,501
7.	Real Estate (6)	1,434

<u>City (8.4)</u>: Average billable hours by City were generally closely grouped (with the exception of Seattle), ranging from a low of 1,479 in Seattle to a high of 1,770 in Dallas. In descending order, average billable hours for the 11 cities are shown below (number in parentheses indicates corresponding average Compensation ranking):

		<u>Billable Hours</u>
1.	Dallas (7)	1,770
2.	Los Angeles (2)	1700
2.	DC/Northern VA (4)	1700



4.	San Francisco (5)	1,691
5.	Houston (3)	1,660
5.	Chicago (9)	1,660
7.	New York (1)	1,646
8.	Boston (6)	1,645
9.	Atlanta (10)	1,630
10.	Philadelphia (8)	1,607
11.	Seattle (11)	1,479

Compensation Transparency (8.5)/Lockstep Type (8.6): Billable hours were very tightly grouped among all three compensation systems, ranging from a high of 1,669 billable hours for partners in Partially Open systems, down to 1,659 and 1,652 billable hours for partners in Open and Closed systems, respectively. When sorted by Lockstep Type, Pure Lockstep and Generally Lockstep partners exceeded Non Lockstep partners, averaging 1,730 and 1,728 billable hours, respectively, versus 1,643 hours for Non Lockstep partners.

Firm Size (8.7); Firm PPP (8.8): While the very largest firms averaged more billable hours than their smaller counterparts (1,712 billable hours for 1,000+ lawyer firms), it was the 51-200 lawyer category that came in with the lowest billable hour average, 1,584 billable hours. When sorted by PPP, generally speaking, the higher the PPP the higher the average billable hours. Partners at firms with PPP between \$250,000-\$500,000 averaged 1,565 billable hours, compared to a high of 1,988 billable hours at firms with PPP over \$2 million.

Gender (8.9)/Ethnicity (8.10): Male partners averaged 1,666 billable hours, while female partners were only slightly lower at 1,622. Sorted by ethnicity, Asian Pacific partners averaged a high of 1,716 hours, while Black partners reported a low of 1,400 billable hours.⁸

See **Appendix 8: Billable Hours** for a complete breakdown of average Billable Hours by category.

F. Non-Billable Hours (Question 16)

A total of 1,643 respondents provided their non-billable hour data, which ranged from a low of 0-50 non-billable hours (23 respondents) to a high of more than 1,000 hours (168 respondents). Average non-billable hours for all respondents was 563. As noted above, whereas younger lawyers tended to out-bill their seniors, in terms of non-billable hours the data showed that the more senior the grouping of lawyers, the more non-billable hours they recorded. As expected, there seemed to be an inverse correlation between

⁸ See footnote 5.



billable hours and non-billable hours, as those lawyers with higher billable hours tended to have fewer non-billable hours. Below is a breakdown of non-billable hours in descending order (number in parentheses indicates corresponding average Billable Hour ranking):

		Non-Billable Hours
1.	Corporate (6)	676
2.	Real Estate (7)	598
3.	Other (4)	585
4.	Labor and Employment (3)	563
5.	Tax/ERISA (5)	535
6.	IP (2)	505
7.	Litigation (1)	451

See <u>Appendix 9: Non-Billable Hours</u> for a complete breakdown of average Non-Billable Hours by category.

IV. COMPENSATION SATISFACTION, FACTORS AND SYSTEMS

A. Compensation Satisfaction (Question 24)

Questions 18 through 29 of the Survey dealt with compensation satisfaction and the respondents' perceptions of their compensation and compensation systems. Question 24, arguably the most important of these questions, specifically addressed compensation satisfaction. A total of 1,665 respondents answered this question. 24% of all respondents classified themselves as "Very Satisfied," 52% classified themselves as "Somewhat Satisfied;" 17% classified themselves as "Not Very Satisfied;" and 6% classified themselves as "Not at all Satisfied." See <u>Table 10.1: Compensation Satisfaction – All Respondents</u>. The data was then sorted by the following categories:

- 1. Years as Partner
- 2. Partnership Status
- 3. Practice Area
- 4. City
- 5. Lateral Status
- 6. Move-Related Compensation Change
- 7. Compensation Transparency
- 8. Lockstep Type
- 9. Total Compensation



- 10. Total Originations
- 11. Total Billable Hours
- 12. Firm Size
- 13. Firm PPP
- 14. Gender
- 15. Ethnicity

<u>Years as Partner (10.2): Partnership Status (10.3):</u> The two most senior groupings of lawyers were more likely to classify themselves as Very Satisfied with their compensation (28% for categories 11-20 years and 21+ years versus 21% and 17% for categories 1-5 years and 6-10 years, respectively), and slightly less likely to classify themselves as Not Very Satisfied or Not at all Satisfied (5% and 4% for categories 11-20 years and 21+ years, respectively, versus 8% and 6% for categories 1-5 years and 6-10 years, respectively). Equity partners were almost twice more likely to classify themselves as Very Satisfied than Non-Equity partners (28% versus 15%), and were also much less likely to classify themselves as Not Very Satisfied or Not at all Satisfied (14% and 5%, respectively, versus 23% and 8%, respectively).

Practice Area (10.4): Sorting the data by Practice Area, IP partners were most likely to classify themselves as Very Satisfied (27%), whereas Labor and Employment partners were least likely (15%). Tax/ERISA partners showed the highest level of overall compensation satisfaction, with 20% classifying themselves as Very Satisfied and additional 63% classifying themselves as Somewhat Satisfied, and only 9% and 4% classifying themselves as Not Very Satisfied and Not at all Satisfied, respectively. Conversely, Real Estate partners demonstrated the highest level of overall dissatisfaction with their compensation, with 19% classifying themselves as Not Very Satisfied and an additional 11% classifying themselves as Not at all Satisfied.

<u>City (10.5)</u>: Set forth below are the satisfaction results for each City. Houston and San Francisco partners had the highest percentage of partners that described themselves as Very Satisfied (29%), while Philadelphia had the highest percentage of partners describing themselves as Not at all Satisfied (12%).

Compensation Transparency (10.8): Partners in Open compensation systems were much more likely to classify themselves as Very Satisfied (29%) than partners in Partially Open (15%) or Closed (16%) compensation systems, although both Open and Partially Open partners had roughly the same combined percentage of partners who classified themselves as Very Satisfied or Somewhat Satisfied (79% and 78%, respectively). Conversely, only 68% of Closed system partners classified themselves as Very Satisfied or Somewhat Satisfied, and 21% and 9% of Closed system partners classified themselves as Not Very Satisfied and Not at all Satisfied, respectively, versus 16% and 4%, respectively, for Open system partners and 14% and 5%, respectively, for Partially Open system partners.



<u>Total Compensation (10.10)</u>; <u>Total Originations (10.11)</u>; <u>Billable Hours (10.12)</u>. Not surprisingly, compensation satisfaction climbed steadily in relation to total compensation, with 11% of partners in the Less than \$300,000 grouping classifying themselves as Very Satisfied and 28% and 9% of such partners classifying themselves as Not Very Satisfied or Not at all Satisfied, respectively, versus 56% of partners in the \$1.5 million+ grouping classifying themselves as Very Satisfied and only 4% and 0% of such partners classifying themselves as Not Very Satisfied or Not at all Satisfied, respectively. This same trend generally held true when sorted by total originations. Interestingly, partners in the highest billable hour grouping, 2400+ hours, had the highest level of Very Satisfied partners (33%) and the lowest combined level of Not Very Satisfied/Not at all Satisfied partners (14%, or 10% and 4%, respectively).

<u>Firm Size (10.13)</u>; <u>Firm PPP (10.14)</u>: Although Firm Size did not generally correlate to compensation satisfaction or dissatisfaction, partners at firms with higher PPP generally were more likely to classify themselves as Very Satisfied and were generally less likely to classify themselves as Not Very Satisfied or Not at all Satisfied, especially as compared to the two lowest groupings of firms.

Gender (10.15)/Ethnicity (10.16): Although both an equal percentage of male and female partners classified themselves as Very Satisfied with their compensation (24%), a somewhat higher percentage of female partners classified themselves as Not Very Satisfied or Not at all Satisfied than their male counterparts (8% and 19%, respectively, versus 5% and 16%, respectively). White and Black partners had nearly identical percentages of Very Satisfied partners (25% and 24%, respectively), although 12% of Black partners classified themselves as Not at all Satisfied, compared to only 6% for White partners. Both Hispanic and Asian Pacific groupings had lower percentages of Very Satisfied partners and greater percentages of Not Very Satisfied partners compared to White and Black partners, but, interestingly, very small percentages of partners classifying themselves as Not at all Satisfied (0% and 4%, respectively).

See <u>Appendix 10: Compensation Satisfaction</u> for a complete breakdown of Compensation Satisfaction by category.

B. Compensation Satisfaction and Perceived Bias (11.1) (Question 25)

Respondents who answered Not Very Satisfied or Not at all Satisfied to *Question 24* where then asked in *Question 25* if their lack of satisfaction was attributable to any biases on the part of their firms, such as cronyism, bias against laterals, gender bias, sexual orientation bias, geographic bias, racial bias, bias toward/in favor of laterals, age bias, or other reasons. A total of 343 respondents answered this question.

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⁹ Ibid.



An astonishing 40% of those respondents attributed their lack of compensation satisfaction to cronyism, dwarfing all other specifically enumerated reasons combined (although 31% answered "Other Reason" and 26% answered "Can't Say"). When broken down by category, cronyism continued to dwarf all other specifically enumerated reasons across every category and virtually every sub-grouping within each category. Not surprisingly, members of "affected classes" (i.e., persons who typically experience the types of biases enumerated above) were more likely to attribute their dissatisfaction to their affected class status than non-members of such class (e.g., lateral partners were more likely to cite lateral status bias than "home grown" partners; female partners were much more likely to cite gender bias than male partners; non-White partners were generally much more likely to cite racial bias than White partners, etc.).

See Appendix 11: Perceived Bias for a complete breakdown of Perceived Bias by category.

C. Desire for Higher Compensation (12.1; 12.2) (Questions 26 and 27)

Questions 26 and 27 of the Survey asked respondents whether they thought their total compensation should be higher than it is (Question 26) and, if so, by what percentage (Question 27). A total of 1,661 respondents answered Question 26, with 61% answering that they believed it should be higher and 39% answering that they felt their current compensation was about right. Of those who felt their compensation should be higher, 11% believed that their compensation should be between 0-10% higher, 46% believed it should be between 11-20% higher, 28% believed it should be between 21-30% higher, 6% believed it should be between 31-40% higher and 4% believed it should be between 41-50% higher. The remaining 5% of respondents believed their compensation should be between 51% to greater than 100% higher.

See Appendix 12: Desire for Higher Compensation.

V. IMPORTANCE OF CERTAIN FACTORS IN DETERMING COMPENSATION

Questions 18 through 23 of the Survey sought subjective information from respondents about their perception of factors they felt were important to their firms in determining compensation.

A. Perceived Relative Importance of Factors (13.1) (Question 18)

In *Question 18*, respondents ranked the importance of the following nine factors as Very Important, Somewhat Important, Not Very Important or Not Important at All in determining compensation:



- 1. Originations
- 2. Working Attorney Receipts
- 3. Billable Hours
- 4. Realization Rate
- 5. Management Responsibilities
- 6. Seniority
- 7. Cross Selling
- 8. Good Citizenship
- 9. Non-Billable Hours

Approximately 1,615 respondents answered this question. Of the nine enumerated factors, Originations, Working Attorney Receipts, and Billable Hours received the highest percentage of Very Important ratings, garnering 76%, 58% and 57% of all respondents, respectively. The next closest was Realization Rate, which was ranked as Very Important by only 32% of respondents. Each of the other five factors received far fewer Very Important ratings. Not surprisingly, Non-Billable Hours received the lowest number of Very Important ratings (1%) and by far the highest number of Not Very Important and Not Important at All ratings (50% and 22%, respectively).

See <u>Table 13.1: Importance of Factors in Determining Compensation</u> for a complete breakdown of each factor by perceived importance.

B. Perceived Most Important Factor vs. Preferred Most Important Factor (13.2) (Questions 19 and 20)

In *Questions 19* and *20*, respondents were asked what factor was <u>perceived</u> by them to be <u>most</u> important in determining compensation (*Question 19*), and what factor they believed <u>should be most</u> important in determining compensation (*Question 20*). A total of 1,629 respondents answered Question 19. Originations was, by far, the most frequently cited most important factor, receiving 64% of all responses. Trailing far behind Originations were Working Attorney Receipts and Billable Hours, at 21% and 9%, respectively. No other factor received more than 1%.

Of the 1,592 respondents who answered *Question 20*, Originations and Working Attorney Receipts also received the highest percentage of responses, with 58% and 26%, respectively. Interestingly, Cross Selling came in third with 4% of the responses, just edging out Billable Hours, Realization Rate and Good Citizenship, each of which received 3%.

See Table 13.2: Perceived Most Important vs. Should be Most Important Factors.



C. Perceived Change in Importance of Factors (13.3; 13.4) (Question 21)

In *Question 21*, respondents were asked whether there has been a change in the importance of various factors in determining compensation. Of the 1,659 respondents to this question, 41% believed that there had been a change, an equal number, 41%, felt that there had not been a change, and 18% were not certain. Surprisingly, when asked in *Question 22* to name those factors which respondents believed had become more important, 42% of the 675 respondents cited Seniority, 32% cited Non-Billable Hours and 25% cited Good Citizenship as factors that had become more important. (This seems somewhat inconsistent with the respondents' answers to *Question 18*.) Originations was next highest at 24%. Conversely, when asked in *Question 23* to name those factors which respondents believed had become less important, 52% of the 682 respondents cited Realization Rate, 32% cited Seniority and 31% cited Billable Hours.

For a comparison of all such factors, See <u>Table 13.4</u>: <u>Factors Perceived as Becoming More Important vs.</u> <u>Less Important</u>.

D. Desire for Change in Compensation Methods (13.5) (Questions 28 and 29)

Questions 28 and 29 asked respondents whether they'd like to see a change in compensation methods (Question 28) and, if so, what changes they'd like to see (Question 29). Of the 1,659 respondents to Question 28, 63% said they would like to see a change in compensation methods, 21% did not desire any changes and 21% could not say. Of the 892 respondents who were in favor of change, suggested (and sometimes contradictory) changes included:

- increased transparency
- more recognition for good citizenship and team work
- more appreciation for cross-selling
- less emphasis on originations
- more emphasis on originations
- less emphasis on billable hours/working attorney receipts
- more value placed on firm management
- less value placed on firm management
- more emphasis on seniority



- less emphasis on seniority
- more consideration for non-billable hours
- less cronyism
- reducing compensation of non-performing lawyers faster

* * * * *

Survey participants, managing partners and other members of firm management who desire a more detailed briefing on the results of the Survey and this Report may contact Jeffrey A. Lowe, Managing Partner, Washington, D.C., at ilowe@mlaglobal.com or 202-628-0661, or John Cashman, Vice President – Law Firm Recruiting, at icashman@mlaglobal.com or 312-456-5601. For a listing of all Major, Lindsey & Africa offices, please visit our website at www.mlaglobal.com.



APPENDIX 1: SURVEY



Major, Lindsey & Africa Partner Compensation Survey (2010)

Dear:
Major, Lindsey & Africa invites you to participate in our 2010 MLA Partner Compensation Survey.
This Survey, which is being sent to more than 30,000 law firm partners across the United States, is the most comprehensive effort ever undertaken to identify ranges of partner compensation and the criteria law firms use in determining partner compensation.
Your responses will be kept strictly confidential by ADF Research, an independent marketing and opinior research company. No identifying information will be associated with your answers or forwarded to Major Lindsey & Africa or any other party in any form. Data will only be reported in the aggregate.
We think you will find the Survey interesting. It should take about ten minutes to complete. As an added incentive, each participant will be entered into a drawing for a \$1,000 American Express gift certificate. To further ensure confidentiality, the drawing will be handled by ADF Research.
Please click on the link below to access the Survey, or copy and paste the link into your browser and enter the password shown below. The password is used solely to ensure that only eligible persons participate in the Survey and that each respondent answers only once.
Survey Web address: https://www.surveysoftware.net/hostaf/survey.htm Password: xxxxxxxxx
Thank you in advance for your participation. If you have any questions about the Survey, please feel free to contact me.
Sincerely,
Jeffrey A. Lowe, Esq. Managing Partner, Washington, D.C. Major, Lindsey & Africa jlowe@mlaglobal.com 202-628-0661

Opt Out: If you do not wish to participate in this survey and do not wish to receive any further reminders, please click on this link. Or, copy and paste the following into your browser:

http://www.surveysoftware.net/hostaf/remove.htm



Major, Lindsey & Africa Partner Compensation Survey (2010)

Thank you for agreeing to participate in this survey. Your responses will be kept strictly confidential by ADF Research and no identifying information will be associated with your answers or forwarded to Major, Lindsey & Africa or any other party.

If you are not sure of an answer to a question, please feel free to skip that question.

- 1. First, in what year did you graduate from law school?
 - Drop down menu of years ranging from "1950 or Earlier" to "2010," in 1-year increments
- 2. How many years have you been a partner at a law firm? Please include any and all law firms including your current one.
 - Drop down menu of years ranging from "1" to "More than 50," in 1-year increments
- 3. What was your Partnership Status during the 2009 compensation year?

For your response, please use The American Lawyer definitions of Partnership Status, which define Equity Partners as those who receive no more than half their compensation on a fixed-income basis and Non-Equity Partners as those who receive more than half their compensation on a fixed basis.

- Equity Partner
- Non-equity Partner
- Other:____ (please specify)
- 4. What is your primary practice area?
 - Drop down menu of practice groups, as listed below

Administrative/Regulatory

Antitrust

Banking

Bankruptcy

Corporate - General

Corporate - Finance/Securities

Corporate - M&A

Employment/Labor

Energy

Entertainment



Environmental ERISA/Benefits

Government Contracts

Healthcare Immigration Insurance International IP - Litigation

IP - TransactionalLitigation - GeneralLitigation - Appellate

Litigation - White Collar/Securities Enforcement

Project Finance Real Estate Tax

Trusts & Estates

Other

5. In what city do you practice?

• Drop down menu of cities and states, as listed below

Akron, OH
Albuquerque, NM
Arlington, TX
Atlanta, GA
Austin, TX
Baltimore, MD
Birmingham, AL
Boston, MA
Buffalo, NY
Charlotte, NC
Chicago, IL
Cincinnati, OH
Cleveland, OH
Colorado Springs, CO
Columbia, SC

Colorado Springs Columbia, SC Columbus, OH Dallas, TX Denver, CO Detroit, MI El Paso, TX Fort Worth, TX Fresno, CA Greenville, SC Honolulu, HI Houston, TX Indianapolis, IN Irvine, CA Jacksonville, FL Kansas City, MO Las Vegas, NV Long Beach, CA Los Angeles, CA Louisville, KY Memphis, TN Mesa, AZ Miami, FL Milwaukee, WI Minneapolis, MN Mountain View, CA Nashville, TN New Orleans, LA New York, NY

Hartford, CT

Newark, NJ/Northern NJ

Oakland, CA

Oklahoma City, OK



Omaha, NE

Orange County, CA

Orlando, FL

Palo Alto/Silicon Valley, CA

Philadelphia, PA
Phoenix, AZ
Pittsburgh, PA
Portland, OR
Providence, RI
Raleigh, NC
Richmond, VA
Sacramento, CA

San Antonio, TX

San Diego, CA

San Francisco, CA San Jose, CA Seattle, WA St. Louis, MO Tallahassee, FL Tampa, FL Tucson, AZ Tulsa, OK

Virginia Beach/Tidewater, VA Washington, D.C./NoVA

Westchester, NY Winston-Salem, NC

Other

- 6. [IF RESPONDENT DID NOT JOIN PRESENT FIRM LATERALLY AS A PARTNER, SKIP TO Q.10] Did you join your present firm laterally as a partner, or were you previously an associate or counsel with your present firm before making partner?
 - I joined my present firm laterally as a partner
 - I was previously an associate or counsel with my present firm before making partner
- 7. When you joined your present firm laterally as a partner, did your total compensation increase, decrease or stay about the same as in your previous position?

By total compensation we mean all base and bonus compensation earned by you in respect of a fiscal year, even if it was paid in the following fiscal year.

- Compensation increased
- Compensation decreased
- Compensation stayed about the same it increased/decreased less than 10%
- 8. [IF COMPENSATION INCREASED FROM Q.7] By about what percent did your total compensation increase?
 - Drop down menu of percentages ranging from "10% or less" to "more than 100%," in 10% increments.
- 9. [IF COMPENSATION DECREASED FROM Q.7] By about what percent did your total compensation decrease?
 - Drop down menu of percentages ranging from "10% or less" to "more than 100%," in 10% increments.



10. Is your firm's compensation system an open or closed one, *i.e.*, do you know what other partners make?

- Open: I know what everyone makes, or can easily find out
- Partially Open: I know ranges of compensation, but do not know exactly who makes what
- Closed: I don't know what anyone else makes
- Other: _____ (please specify)

11. What was your total compensation for 2009?

For purposes of this question, total compensation means all base and bonus compensation received by you in respect of your 2009 fiscal year, even if a portion of it was paid in your 2010 fiscal year.

• Drop down menu of compensation values ranging from "Less than \$100,000" to "more than \$8,000,000," in \$50,000 increments.

12. What were your total originations for 2009?

By total originations we mean the total dollar value of work performed and collected by you and the other attorneys at your firm for which your efforts were the proximate cause of such work coming to the firm.

Drop down menu of origination values ranging from "Less than \$100,000" to "more than \$30,000,000," in \$100,000 increments through \$10 million and \$1 million increments between \$10 million and \$30 million.

13. What were your total working attorney receipts for 2009?

By total working attorney receipts we mean the number of dollars collected (or expected to be collected) by your firm for work performed personally by you in a fiscal year (even if it was collected in the following fiscal year).

 Drop down menu of working attorney receipts values ranging from "Less than \$100,000" to "more than \$5,000,000," in \$100,000 increments.

14. What was your standard hourly billing rate for 2009?

 Drop down menu of standard hourly billing rate values ranging from "\$0-50" to "more than \$2,000," in \$25/hour increments.

15. What were your total billable hours for 2009?

 Drop down menu of billable hours values ranging from "1,000 or less" to "more than 3,000," in 50-hour increments.



16. What were your total non-billable hours for 2009?

This would include management, recruiting, business development, CLE, etc.

- Drop down menu of non-billable hours values ranging from "0-50" to "more than 1,000," in 50-hour increments.
- 17. Is your firm's compensation system pure lockstep, generally lockstep but it allows for some variance based on certain factors, or not lockstep at all?

As you may know, lockstep means that compensation is based on seniority and not on ability, experience or work product.

- My firm is pure lockstep
- My firm is generally lockstep, but allows for some variance
- My firm is not lockstep at all
- 18. [IF RESPONDETNS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] For each factor below please tell us how important it is to your firm when determining compensation.
 - Drop down menu of importance listing "very important", "somewhat important", "not very important" and "not at all important".
 - Factors included in the list are:

Originations Management responsibilities

Working attorney receipts Cross-selling
Realization rate Good citizenship

Billable hours Seniority

Non-billable hours

19. [IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] Which one of these factors do you feel is the most important?

Originations Management responsibilities

Working attorney receipts Cross-selling Realization rate Good citizenship

Billable hours Seniority

Non-Billable hours



20. [IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] And which one do you feel should be the most important?

Originations Management responsibilities

Working attorney receipts

Realization rate

Billable hours

Cross-selling

Good citizenship

Seniority

Non-Billable hours

21. [IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] Do you feel that over the past few years there has been any chance in the importance of these factors for determining compensation?

- Yes, has been a change
- No, has not been a change
- Not certain

22. [IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] Which factors, if any, do you feel have become more important?

Originations Management responsibilities

Working attorney receipts Cross-selling
Realization rate Good citizenship

Billable hours Seniority

Non-Billable hours

23. [IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24] And which factors, if any, do you feel have become less important?

Originations Management responsibilities

Working attorney receipts Cross-selling
Realization rate Good citizenship

Billable hours Seniority

Non-Billable hours

24. Generally, how satisfied are you with your total compensation?

- I am very satisfied
- I am somewhat satisfied
- I am not very satisfied
- I am not at all satisfied
- Can't say



- 25. [ASK Q.25 ONLY IF NOT VERY OR NOT AT ALL SATISFIED] If you are not satisfied with your compensation, do you feel it is because of any bias on the part of your firm such as any of the following:
 - Racial bias
 - Sexual orientation bias
 - Bias against laterals
 - Cronyism
 - Other reason: _____ (please specify)
 - Can't say
- 26. Do you feel your total compensation should be higher than it is?
 - Yes, I feel it should be higher
 - No, I feel it is about right
- 27. [IF FEEL COMPENSATION IS ABOUT RIGHT, SKIP TO Q.28]. Roughly how much higher do you feel your compensation should be?
 - Drop down menu of percentages ranging from "10% or Less" to "more than 100%," in 10% increments
- 28. Are there any things about your compensation system that you would like to see changed?
 - Yes, would like to see some things changed
 - No, no need for changes
 - Can't say
- 29. [IF "YES, WOULD LIKE TO SEE SOME THINGS CHANGED", ASK Q.29]. What would you like to see changed?
 - Write-in responses allowed at this point



Finally, just a few background questions.

30. How large is your law firm?

• Drop down menu of number of lawyers ranging from "1-50 lawyers" to "more than 1,000 lawyers", in 50-lawyer intervals.

31. What was your firm's most recent Profits Per Partner, as published by *The American Lawyer* magazine?

• Drop down menu of PPP values ranging from "\$250,001-\$500,000" to "\$2,000,000+," in \$250,000 intervals. An additional option of "Don't know" was also included.

32. What is your gender?

- Male
- Female

33. Which of these categories, used by the American Bar Association, best describes your ethnicity?

White, not Hispanic Black, not Hispanic Hispanic Asian Pacific, not Hispanic American Indian, not Hispanic Native Hawaiian or Pacific Islander, not Hispanic Mixed races

* * * * *

If you'd like to receive follow-up information on the survey results, please provide an email address below. You may choose to use a personal or some other email address. In no event will your email address be shared with Major, Lindsey & Africa or any other party and it will not be used for any solicitation.

For Managing Partners and members of firm management who want a more detailed briefing on the results of this survey, please contact Jeffrey Lowe, Managing Partner, Washington D.C. at <u>Ilowe@mlaglobal.com</u> or 202-628-0661.

Thank you for participating in the Major, Lindsey & Africa 2010 Partner Compensation Survey!

To learn more about Major, Lindsey & Africa, visit www.mlaglobal.com



APPENDIX 2: METHODOLOGY

Data for this survey was collected using an online questionnaire hosted on ADF Research's secure site. Invitations were e-mailed to 33,063 partners across the United States. The emailed invitation contained a link which partners could use to access the online survey. To maximize the response rate, two email reminders, spaced about one week apart, were also sent.

The sample was provided by Major, Lindsey & Africa and was selected from its proprietary database of practicing lawyers worldwide. The questionnaire was jointly developed by Major, Lindsey & Africa and ADF Research. As an incentive to complete the survey, respondents were entered into a drawing to win an American Express gift certificate valued at \$1,000. A total of 1,873 responses were received from partners practicing in over 56 cities across the United States. 2,959 emails were returned as undeliverable. Assuming that all of the remaining 30,104 partners contacted received the invitation, the overall response rate was approximately 6.2%.

In *Questions 11* through *16* of the Survey, respondents were given ranges as response choices. For example, total compensation values were typically grouped in \$50,000 ranges (*e.g.*, \$800,000 to \$850,000). In order to calculate the data for this Report, ADF Research used, wherever possible, the midpoint for all responses that were expressed as ranges. In those cases where midpoints where not identifiable (*e.g.*, responses where one parameter of the range was open-ended), ADF Research and Major, Lindsey & Africa jointly agreed on values to be used for those responses.



APPENDIX 3: RESPONDENTS

<u>Years as Partner (3.1)</u>: A total of 1,819 respondents answered this question, with partnership tenure ranging from 1 year (28 respondents) to more than 50 years (1 respondent). For purposes of this Report, respondents have typically been grouped into the following four tenure categories:

1.	1-5 years	27% (499) (# of resps. in parentheses)
2.	6-10 years	24% (435)
3.	11-20 years	29% (534)
4.	21+ years	19% (351)

<u>Partnership Status (3.2)</u>: A total of 1,818 respondents answered this question. 64% (1,161) of the respondents classified themselves as Equity partners, 34% (615) classified themselves as Non-Equity partners and 2% (42) classified themselves as "Other." The definitions for Equity and Non-Equity partner tracked the definitions used by *The American Lawyer* in its annual survey of law firms. (See <u>Appendix 1: Survey</u>) For purposes of this Report, we have typically omitted the "Other" category in our analysis because of the small percentage of respondents included in this category.

<u>Practice Area (3.3)</u>: A total of 1,817 respondents answered this question. While the Survey offered over 25 practice area choices, for purposes of this Report respondents were grouped into seven categories. These groups included:

1.	Litigation	21% (384)
2.	Corporate	21% (381)
3.	IP	12% (215)
4.	Labor and Employment	7% (132)
5.	Real Estate	7% (129)
6.	Tax/ERISA	5% (85)
7.	Other	27% (491)

<u>City (3.4)</u>: A total of 1,810 respondents answered this question, representing over 56 cities across the United States. For purposes of this Report, we have included data for the 11 cities with greater than 50 respondents. They include:

1.	NY	18% (319)
2.	Chicago	14% (246)
3.	DC/Northern VA	11% (200)



4.	Los Angeles	7% (125)
5.	Philadelphia	6% (101)
6.	San Francisco	4% (81)
7.	Boston	4% (77)
8.	Atlanta	4% (73)
9.	Houston	3% (61)
10.	Seattle	3% (58)
11.	Dallas	3% (51)

Respondents from other cities accounted for 23% (418) of all respondents.

<u>Lateral Status (3.5)</u>: A total of 1,839 respondents answered this question. 47% (869) of the respondents indicated that they had lateralled to their present firm as a partner and 53% (970) of the respondents indicated that they were previously associates or counsel at their present firms before becoming partners. This latter group is sometimes referred to in this Report as "home grown" partners.

Compensation Transparency (3.6): A total of 1,803 respondents answered this question. An "Open" compensation system was defined as one in which the respondent knows what every other partner makes or could easily find out such information. A "Partially Open" compensation system was defined as one in which the respondent did not know exactly what his or her partners made, but could discover ranges of compensation. A "Closed" compensation system was one in which the respondent knew only his or her own compensation. 63% (1,131) of the respondents indicated that they were in Open compensation systems; 12% (218) indicated that they were in Partially Open compensation systems; 22% (391) indicated that they were in Closed compensation systems; and 3% (63) indicated that they did not fall into one of those three categories. For purposes of this Report, we have typically omitted the "Other" category in our analysis because of the small percentage of respondents included in this category.

Lockstep Type (3.7): A total of 1,709 respondents answered this question. 84% (1,438) of the respondents indicated that their firm's compensation was not lockstep at all. 15% (258) of the respondents indicated their firm's compensation was generally lockstep, but allowed for some variance, and 1% (13) respondents indicated that their firm's compensation system was pure lockstep.

<u>Total Compensation</u> (3.8): A total of 1,722 respondents answered this question. Reported compensation ranged from less than \$100,000 (10 respondents) to more than \$6.1 million (1 respondent). For purposes of this Report, respondents were grouped into the following categories:

1.	Less than \$300,000	25% (429)
2.	\$300,001-\$500,000	30% (517)



3.	\$500,001-\$1 million	29% (502)
4.	\$1,000,001-\$1.5 million	9% (158)
5.	\$1.5 million+	7% (116)

Law Firm Size (3.9): A total of 1,643 respondents answered this question. Categories included:

1.	1-50 attorneys	8% (132)
2.	51-200 attorneys	14% (235)
3.	201-500 attorneys	23% (370)
4.	501-1,000 attorneys	36% (595)
5.	1,000+ attorneys	19% (311)

Firm PPP (3.10): A total of 1,036 respondents answered this question. An additional 574 respondents did not know their firm's PPP. Categories included:

1.	\$250,000-\$500,000	11% (109)
2.	\$500,001-\$750,000	27% (278)
3.	\$750,001-\$1 million	25% (264)
4.	\$1,000,001-\$1.25 million	16% (163)
5.	\$1,250,001-\$1.5 million	11% (118)
6.	\$1,500,001-\$1.75 million	3% (33)
7.	\$1,750,001-\$2 million	2% (21)
8.	\$2 million+	5% (50)

Gender (3.11): A total of 1,642 respondents answered this question. 79% (1,296) identified themselves as male and 21% (346) identified themselves as female.

Ethnicity (3.12): A total of 1,616 respondents answered this question. The categories used in the Survey tracked those previously used by the American Bar Association. (See <u>Appendix 1: Survey</u>). Respondents included:

1.	White, not Hispanic	91% (1,469)
2.	Black, not Hispanic	2% (34)
3.	Hispanic	2% (30)
4.	Asian Pacific, not Hispanic	3% (56)
5.	American Indian, not Hispanic	0% (2)



6. Native Hawaiian or

Pacific Islander, not Hispanic 0% (3)

7. Mixed Races 1% (22)

Because of the small number of respondents from these last three categories, it is difficult to draw any statistically meaningful conclusions from the responses, although we have endeavored to include the relevant data in all cases.

Appendix 3: Respondents

Q2) Yrs as Partner	Respondents	%
1 - 5	499	27%
6 - 10	435	24%
11 - 20	534	29%
21 +	351	19%
Total	1819	

Q3) Partnership Status	Respondents	%
Equity	1161	64%
Non-Equity	615	34%
Other	42	2%
Total	1818	

Q4) Practice Area	Respondents	%
Lit	384	21%
Corp	381	21%
IP	215	12%
L&E	132	7%
RE	129	7%
Tax / ERISA	85	5%
Other	491	27%
Total	1817	

Q5) City	Respondents	%
Atl	73	4%
Bos	77	4%
Chi	246	14%
Dallas	51	3%
DC	200	11%
Hou	61	3%
LA	125	7%
NY	319	18%
Phil	101	6%
SF	81	4%
Sea	58	3%
Other	418	23%
Total	1810	

Q6) Lateral Status	Respondents	%
Lateral	869	47%
Home Grown	970	53%
Total	1839	

Q10) Compensation Transparency	Respondents	%
Open	1131	63%
Partially Open	218	12%
Closed	391	22%
Other	63	3%
Total	1803	

Q11) Total Compensation	Respondents	%
< \$0.3	429	25%
\$0.3 - 0.5	517	30%
\$0.5 - 1	502	29%
\$1 - 1.5	158	9%
\$1.5 +	116	7%
Total	1722	

Q17) Lockstep Type	Respondents	%
Non Lockstep	1438	84%
Generally Lockstep	258	15%
Pure Lockstep	13	1%
Total	1709	

Firm Size	Respondents	%
1 - 50	132	8%
51 - 200	235	14%
201 -500	370	23%
501 - 1000	595	36%
1000 +	311	19%
Total	1643	

Firm PPP	Respondents	%
\$0.25 - 0.5	109	11%
\$0.5 - 0.75	278	27%
\$0.75 - 1	264	25%
\$1 - 1.25	163	16%
\$1.25 - 1.5	118	11%
\$1.5 - 1.75	33	3%
\$1.75 - 2	21	2%
\$2 +	50	5%
Total	1036	

Gender	Respondents	%
Male	1296	79%
Female	346	21%
Total	1642	

Ethnicity	Respondents	%
White	1469	91%
Black	34	2%
Hispanic	30	2%
Asian Pacific	56	3%
American Indian	2	0%
Hawaiian/Pacific Islander	3	0%
Mixed Races	22	1%
Total	1616	

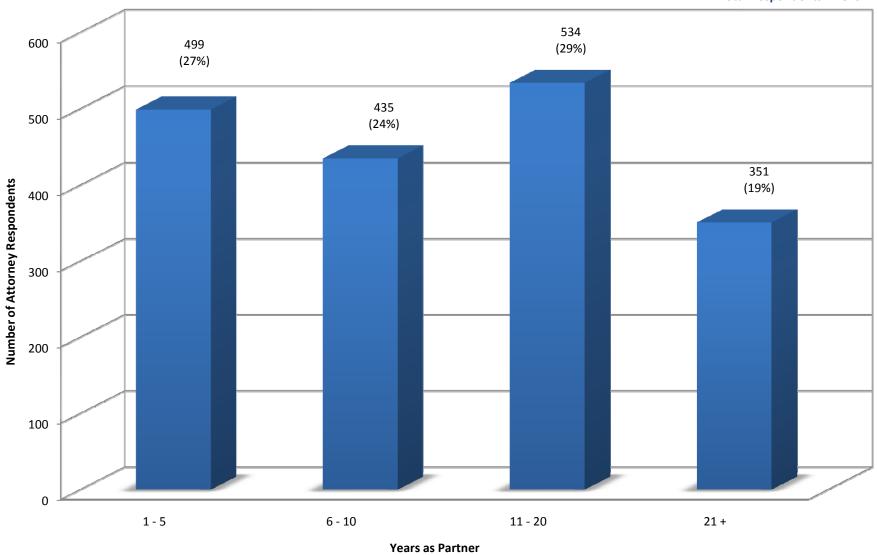


Respondents

By Years as Partner

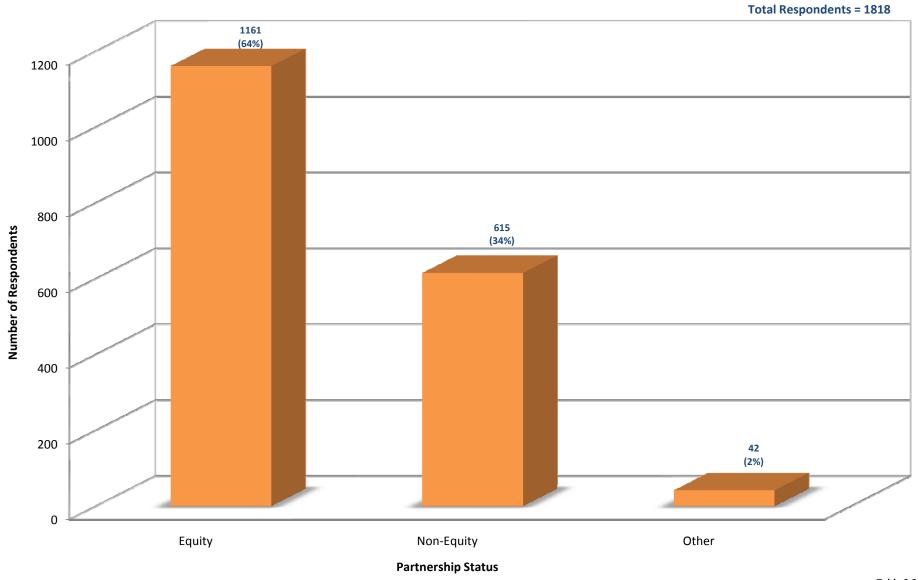


Total Respondents = 1819





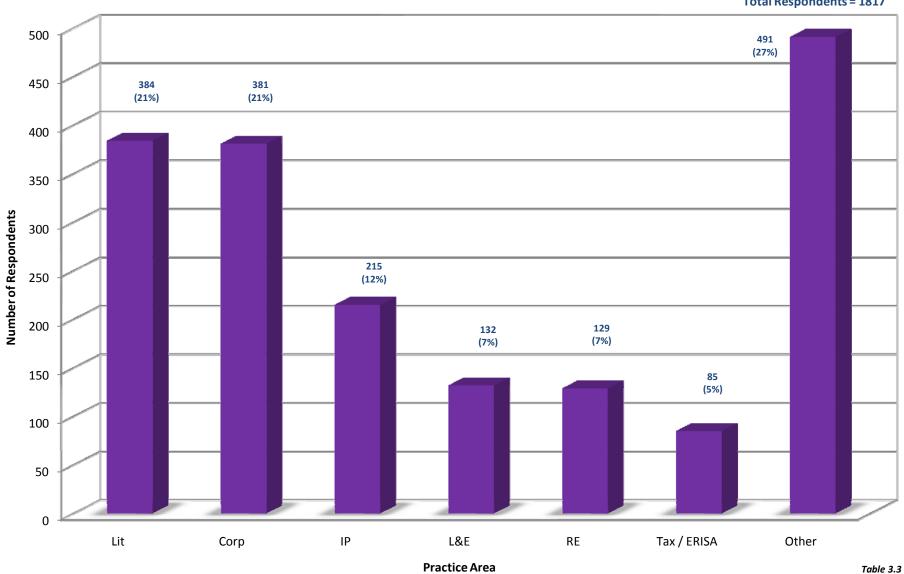
Respondents By Partnership Status



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Respondents **By Practice Area**

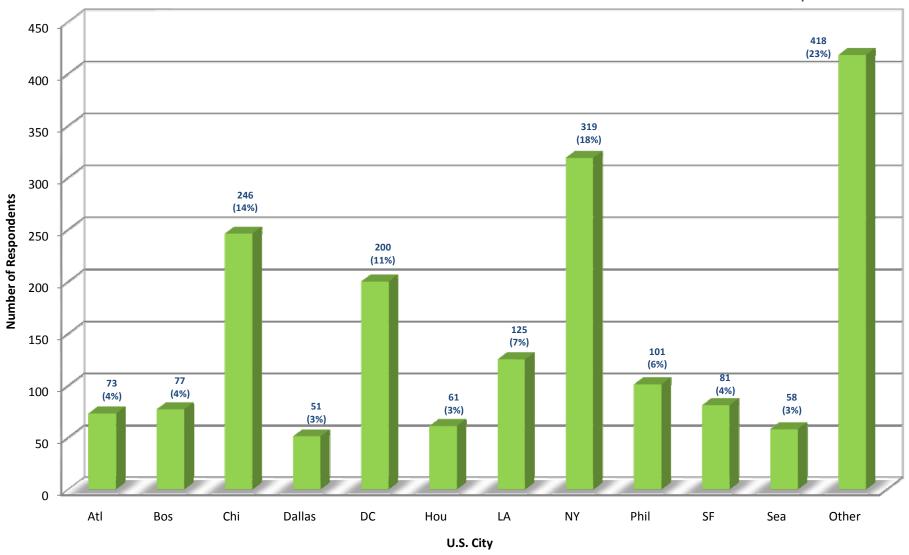
Total Respondents = 1817



Respondents By City



Total Respondents = 1810

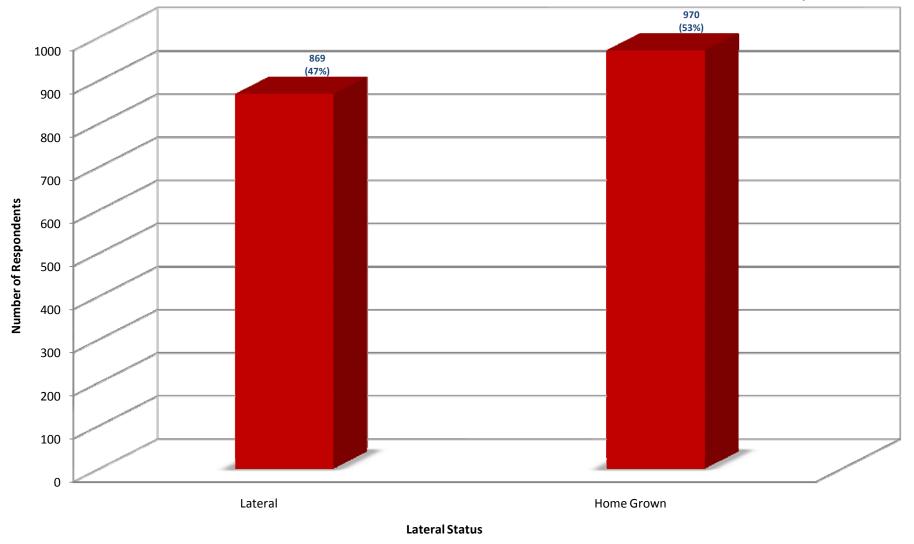


Respondents

By Lateral Status



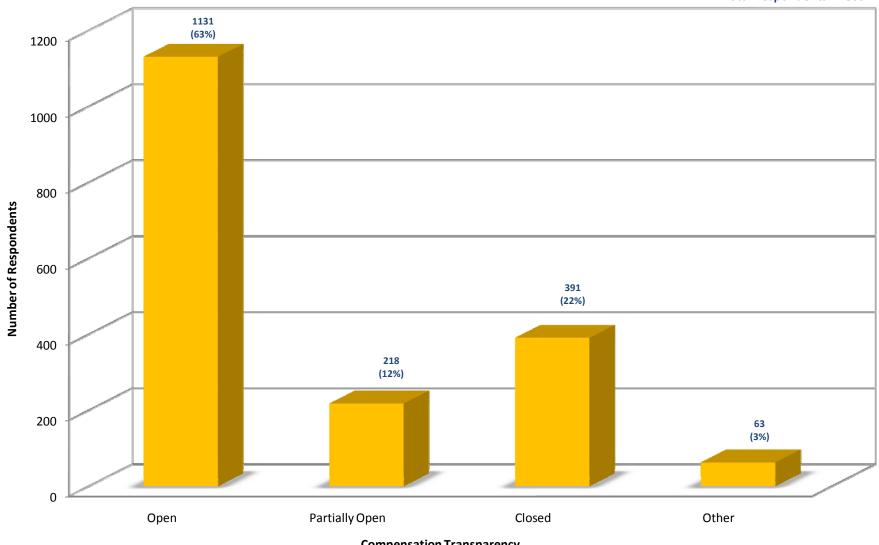






Respondents **By Compensation Transparency**

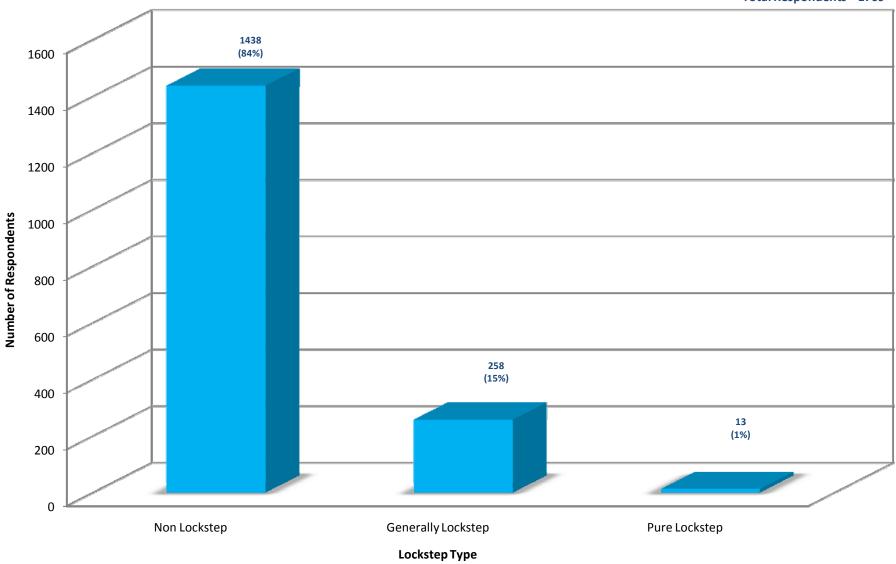




Respondents By Lockstep Type



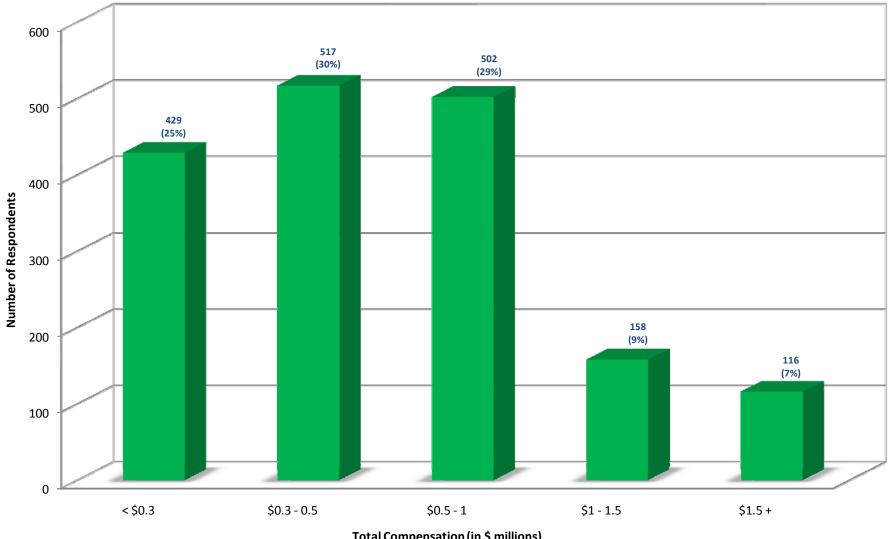
Total Respondents = 1709



Respondents**By Total Compensation**





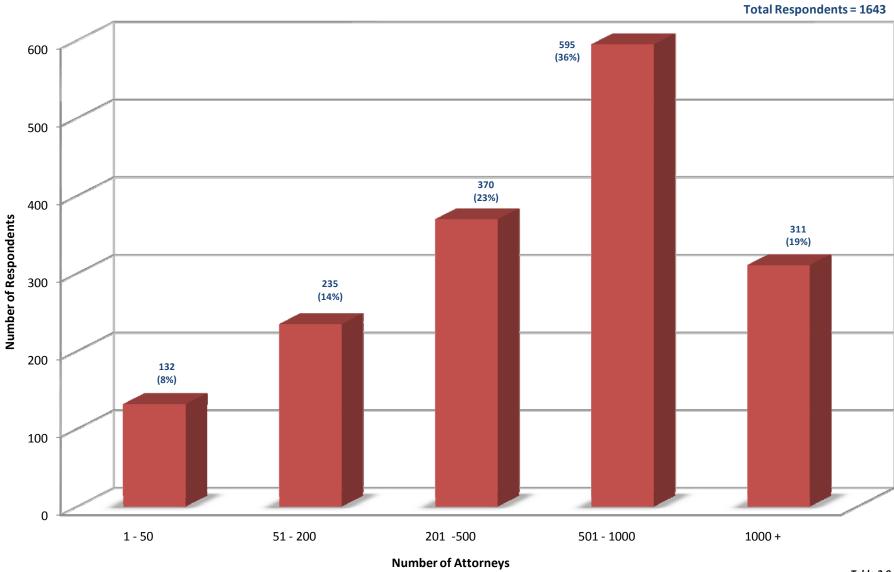


Total Compensation (in \$ millions)

Respondents



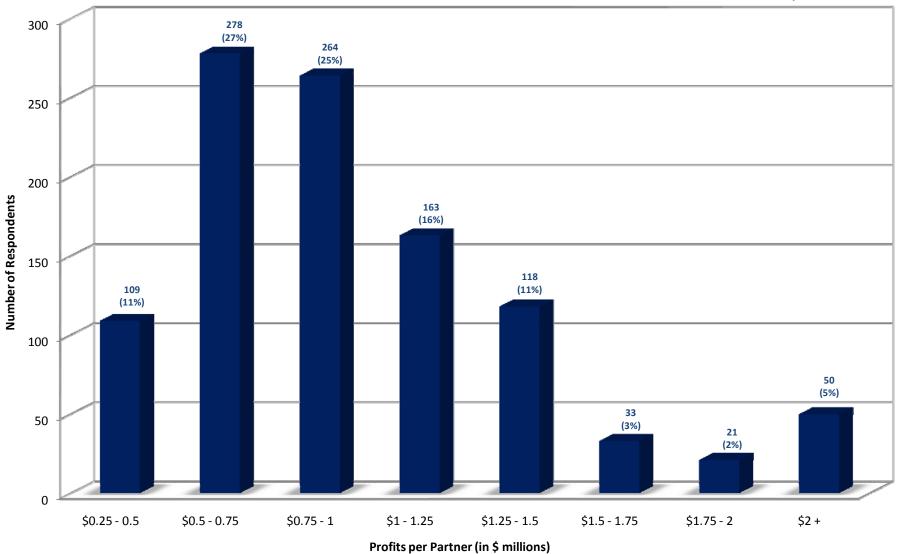
By Firm Size



RespondentsBy PPP



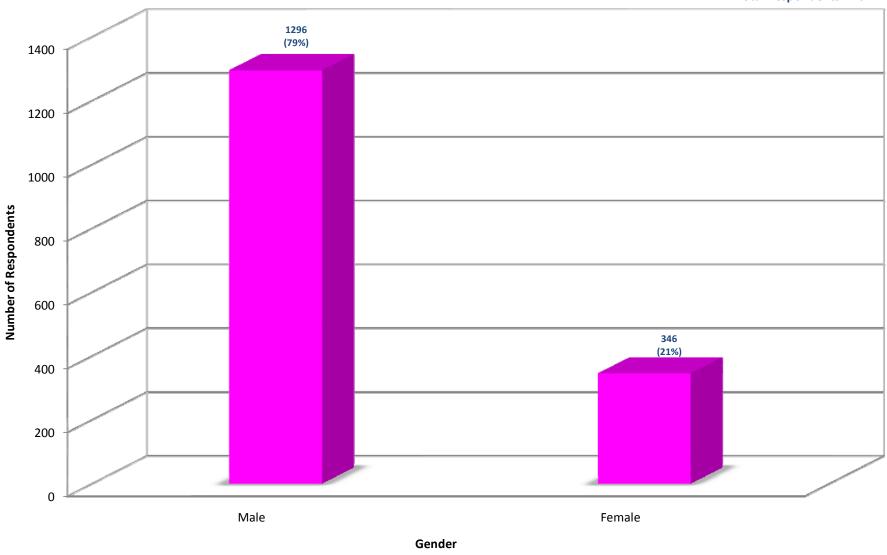
Total Respondents = 1036



Respondents By Gender



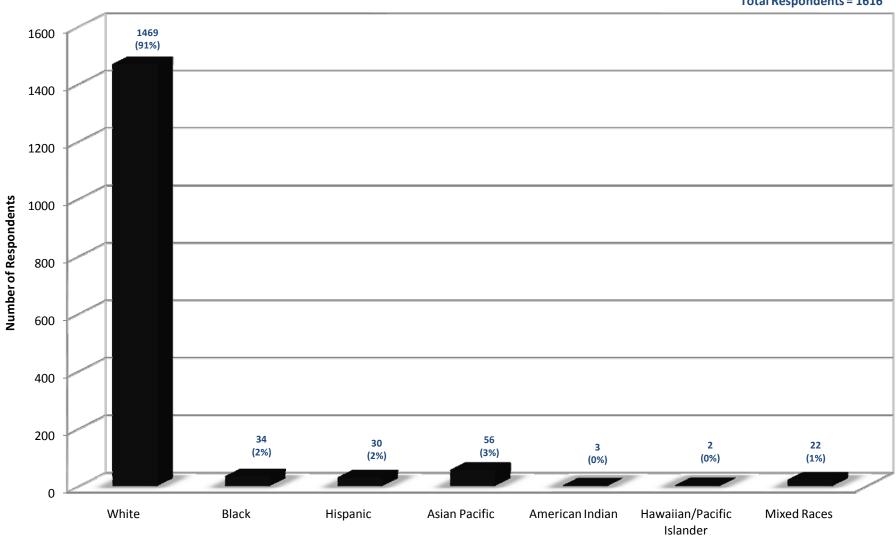
Total Respondents = 1642



Respondents By Ethnicity



Total Respondents = 1616



Ethnicity

Appendix 4: Mean Average Compensation (Q11)

Q2) Yrs as P	Compensation		
1 - 5	399		
6 - 10	564		
11 - 20	760		
21 +	908		

Q3) Partnership Status	Compensatio		
Equity	811		
Non-Equity	336		

Q4) Practice Area	Compensation
Lit	679
Corp	759
IP	601
L&E	470
RE	506
Tax / Erisa	641
Other	616

Q5) City	Compensation
Atlanta	463
Boston	618
Chicago	524
Dallas	599
DC / NoVA	702
Houston	704
LA	725
NY	938
Phil	533
SF	667
Seattle	368

Q10) Compensation Transparency	Compensation
Open	718
Partially Open	513
Closed	495

Mean Average Compensation (All Respondents) = 640

Q17) Lockstep Type	Compensation
Non Lockstep	657
Generally Lockstep	534
Pure Lockstep	758

Q30) Firm Size	Compensation
1 - 50	388
51 - 200	390
201 - 500	581
501 - 1000	698
1000 +	881

Q31) Firm PPP	Compensation
\$0.25 - 0.5	346
\$0.5 - 0.75	526
\$0.75 - 1	656
\$1 - 1.25	906
\$1.25 - 1.5	1143
\$1.5 - 1.75	1060
\$1.75 - 2	1591
\$2 +	1606

Q32) Gender	Compensation		
Male	675		
Female	513		

Q33) Ethnicity	Compensation
White	648
Black	550
Hispanic	510
Asian Pacific	514
American Indian	425
Hawaiian / Pacific Islander	558
Mixed	542



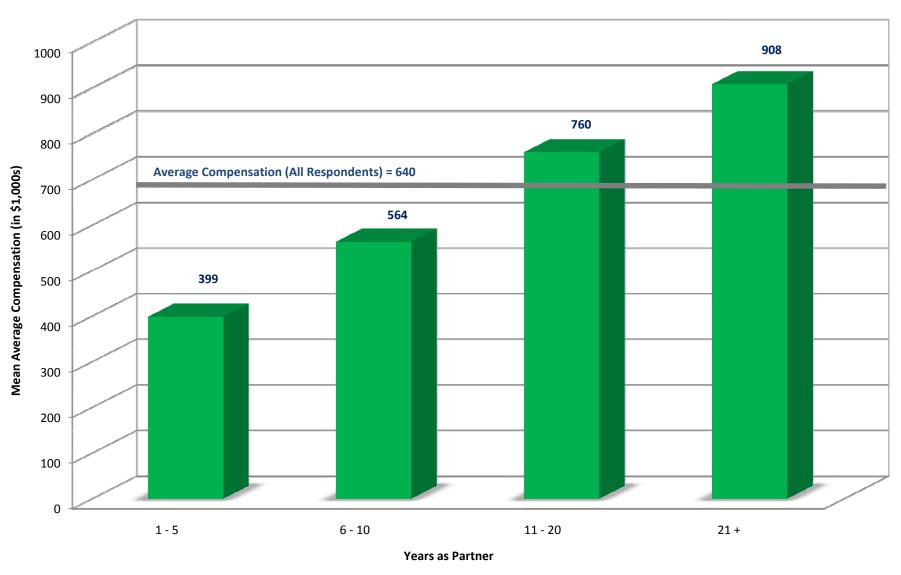
Appendix 4 (cont): Compensation Changes for Lateral Partners (Q7, 8, 9)

Q7) Move-Related Comp Changes	Compensation Increased	Compensation Decreased	Compensation Stayed Basically Same			
859 All Responses	57%	9%	34%			
639 Male	57%	8%	35%			
151 Female	56%	10%	34%			
Q8) Comp Changes - Increased	0 - 10%	11 - 20%	21 - 30%	31 - 40%	41 - 50%	> 50%
478 All Responses	12%	34%	22%	10%	6%	17%
359 Male	10%	36%	22%	9%	6%	17%
84 Female	23%	27%	20%	10%	2%	18%
Q9) Comp Changes - Decreased	0 - 10%	11 - 20%	21 - 30%	31 - 40%	41 - 50%	> 50%
74 All Responses	20%	31%	16%	15%	7%	11%
49 Male	20%	33%	16%	16%	8%	6%
15 Female	27%	27%	13%	13%	7%	13%



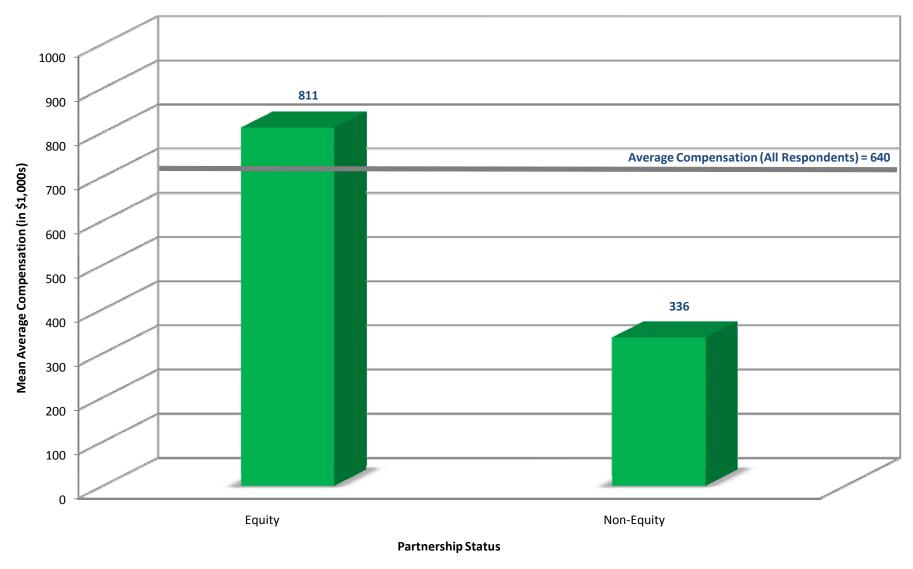


By Years as Partner



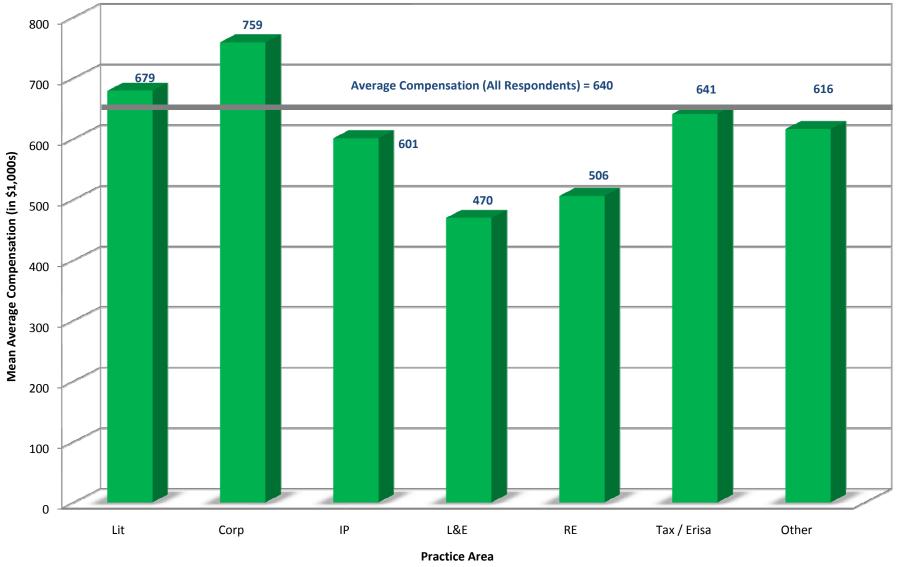
Mean Average Compensation By Partnership Status





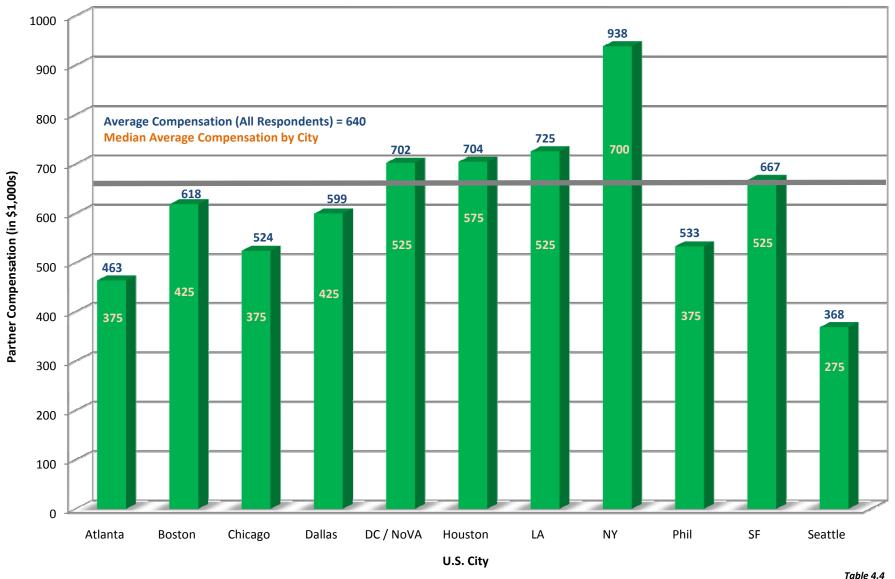
Mean Average Compensation By Practice Area





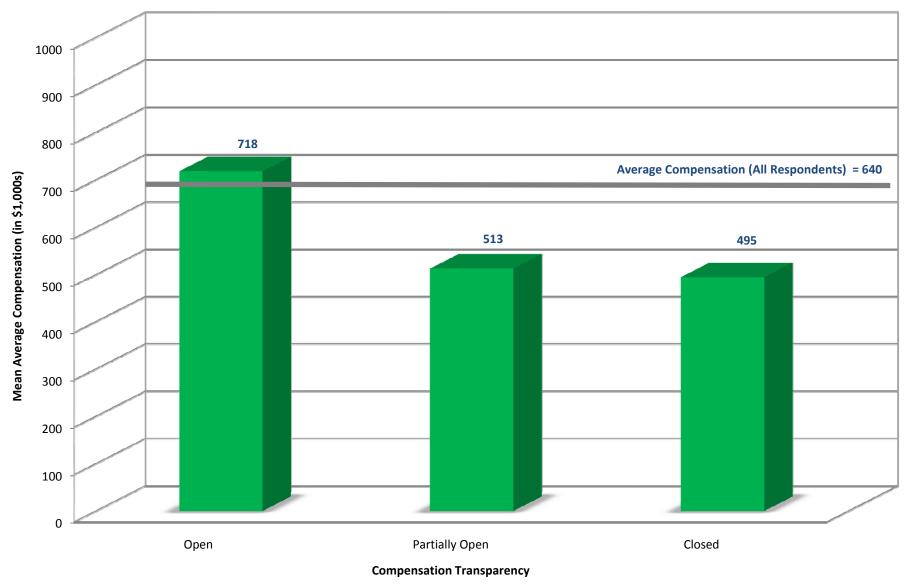
Mean Average Compensation By City





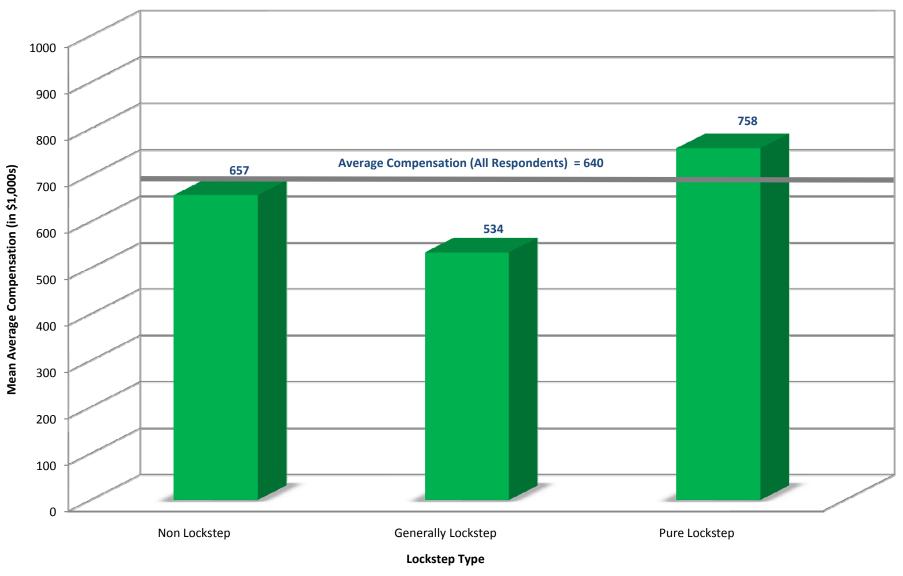
By Compensation Transparency





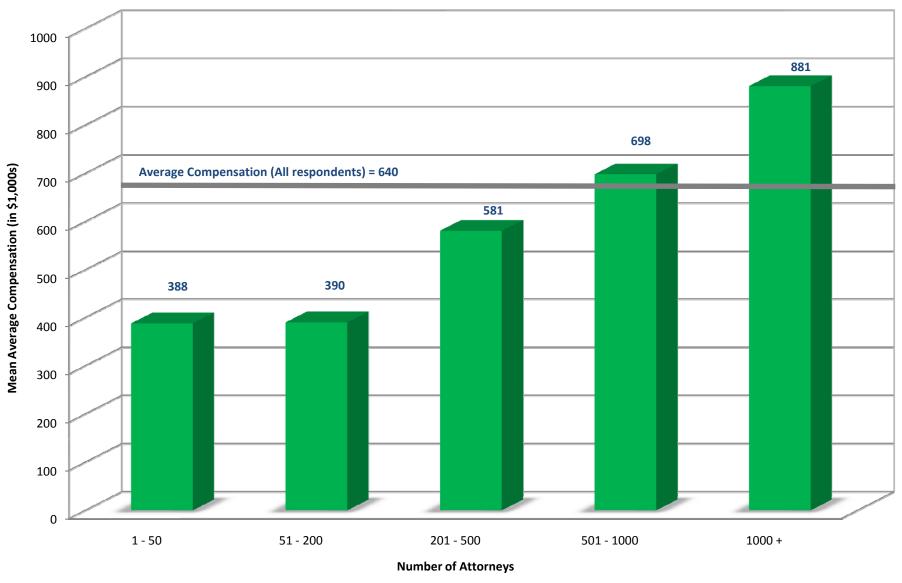


By Lockstep Type



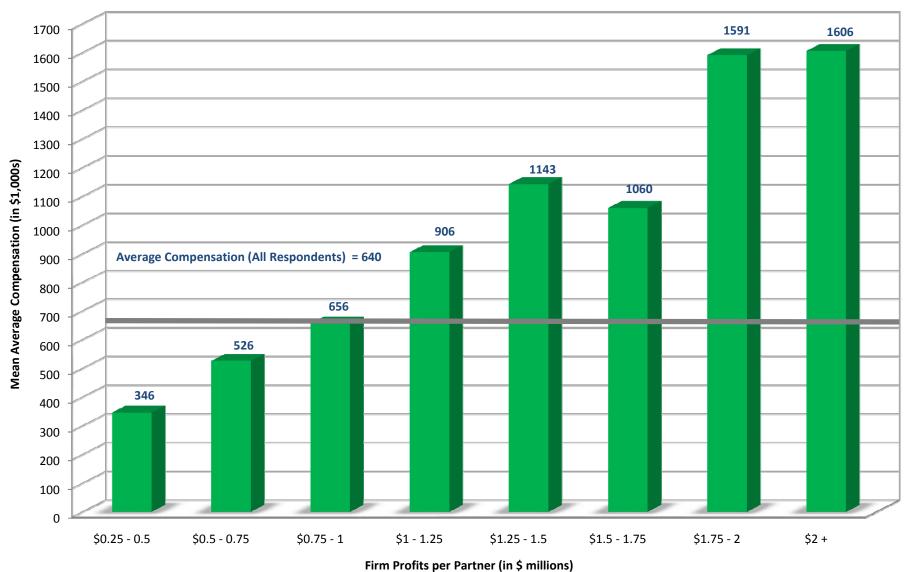
By Firm Size





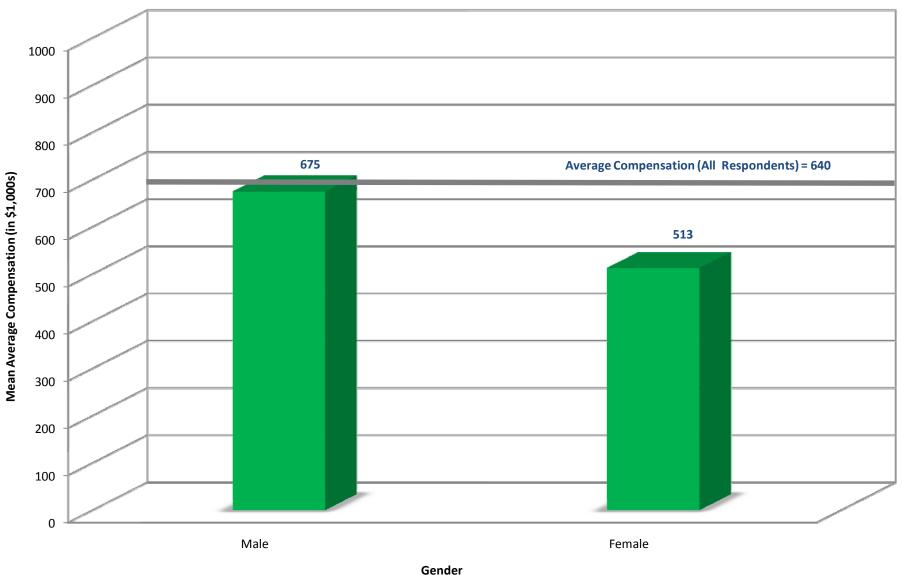
Mean Average Compensation By Firm PPP





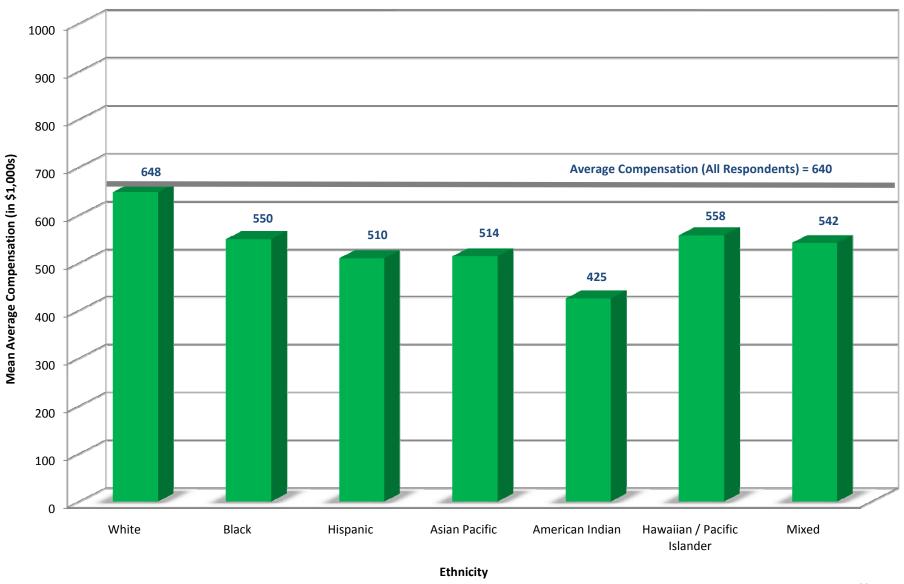
Mean Average Compensation By Gender





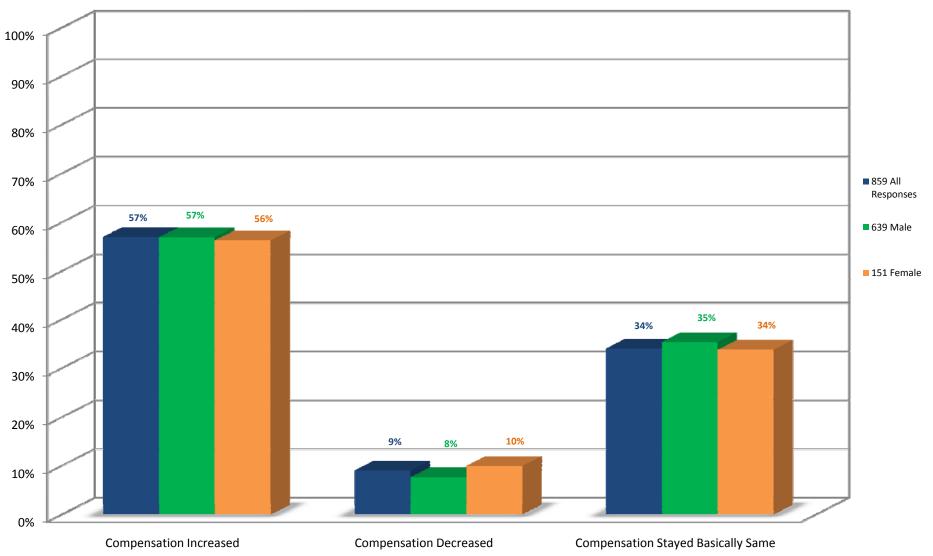
Mean Average Compensation By Ethnicity





Compensation Change for Lateral Partners Overview



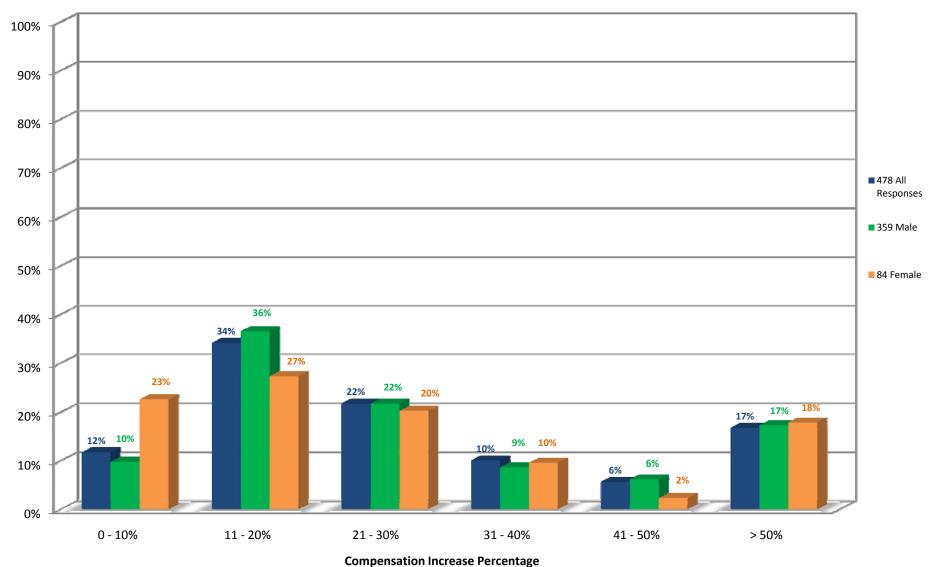


Changes in Move-Related Compensation for Lateral Partners

Compensation Change for Lateral Partners



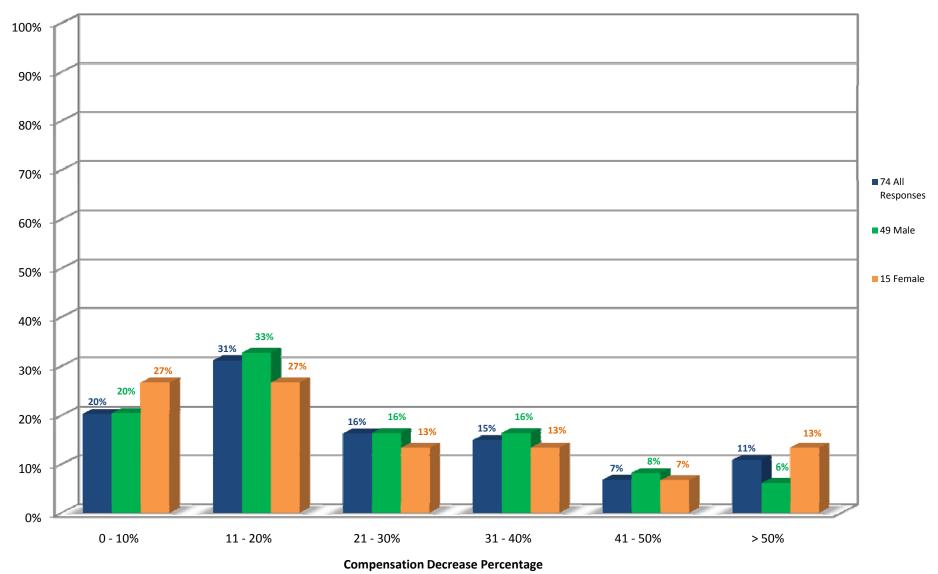




Move-Related Changes in Compensation







Appendix 5: Mean Average Originations (Q12)

Q2) Yrs as P	Originations
1 - 5	819
6 - 10	1578
11 - 20	2252
21 +	2978

Q3) Partnership Status	Originations
Equity	2489
Non-Equity	704

Q4) Practice Area	Originations
Lit	2361
Corp	2205
IP	1482
L&E	1232
RE	1105
Tax / Erisa	1054
Other	1800

Q5) City	Originations
Atlanta	1180
Boston	1787
Chicago	1270
Dallas	1854
DC / NoVA	2144
Houston	2240
LA	2060
NY	2714
Phil	1328
SF	1921
Seattle	1053

Q10) Compensation Transparency	Originations
Open	2121
Partially Open	1309
Closed	1389

Mean Average Originations = 1838

Q17) Lockstep Type	Originations
Non Lockstep	1962
Generally Lockstep	1197
Pure Lockstep	1868

Originations
952
840
1526
2029
3045

Q31) Firm PPP	Originations
\$0.25 - 0.5	834
\$0.5 - 0.75	1447
\$0.75 - 1	1925
\$1 - 1.25	2914
\$1.25 - 1.5	3922
\$1.5 - 1.75	2923
\$1.75 - 2	5065
\$2 +	4081

Q32) Gender	Originations
Male	1998
Female	1327

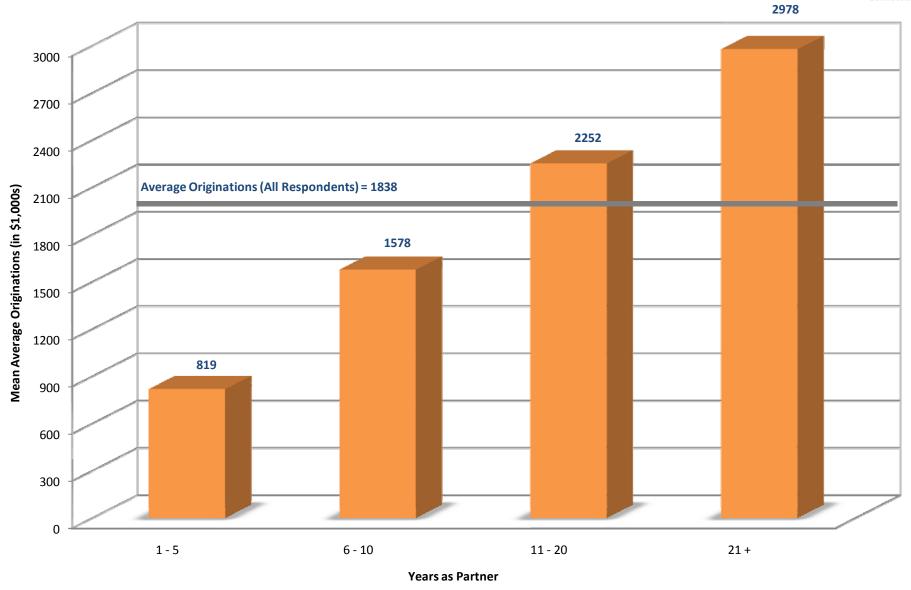
Q33) Ethnicity	Originations
White	1875
Black	1392
Hispanic	1552
Asian Pacific	1263
American Indian	850
Hawaiian / Pacific Islander	2217
Mixed	1159



MAJOR,
LINDSEY &
AFRICA

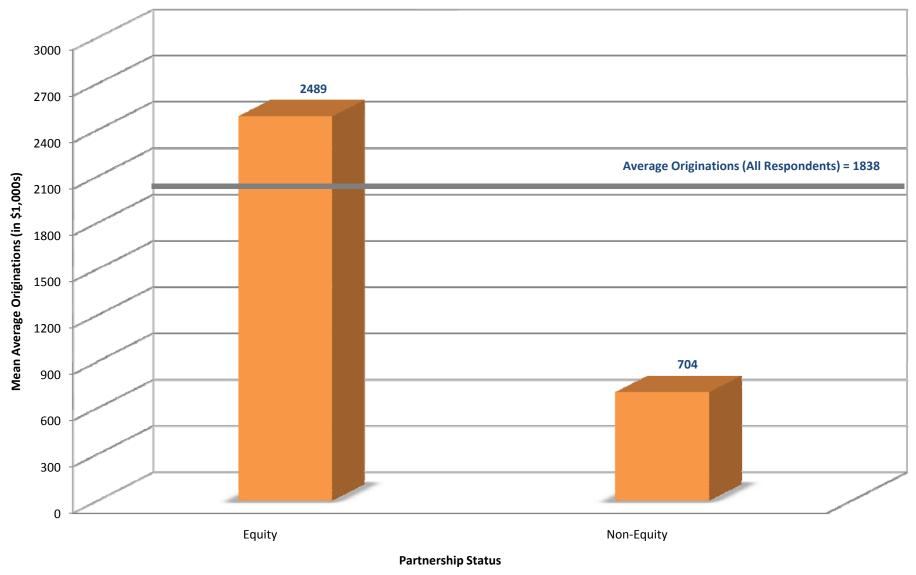
ATTORNEY SEARCH
CONSULTANTS

By Years as Partner



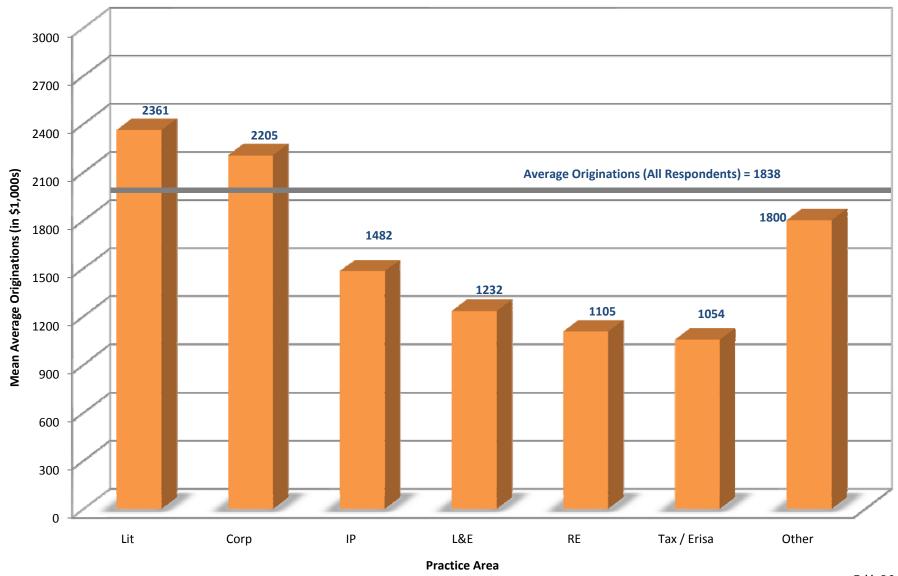
By Partnership Status





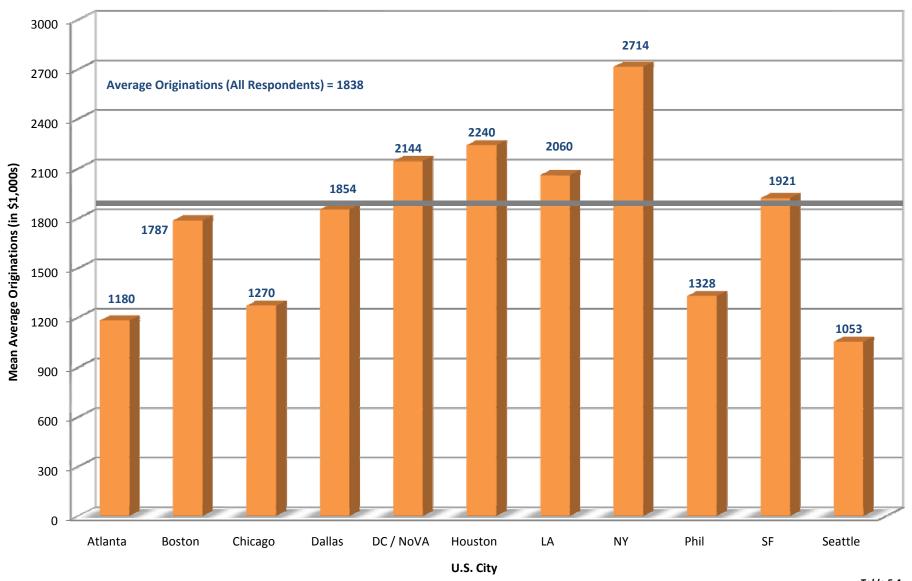






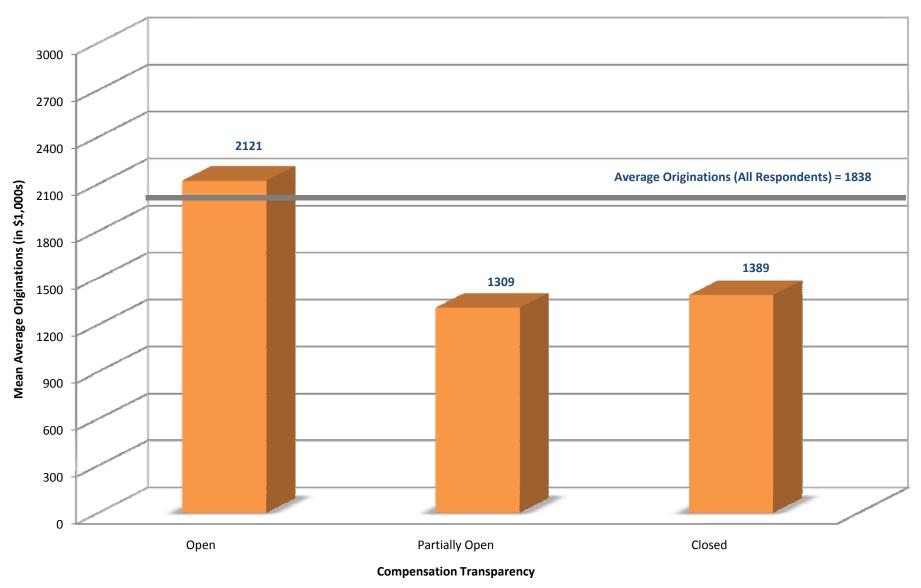
Mean Average Originations By City





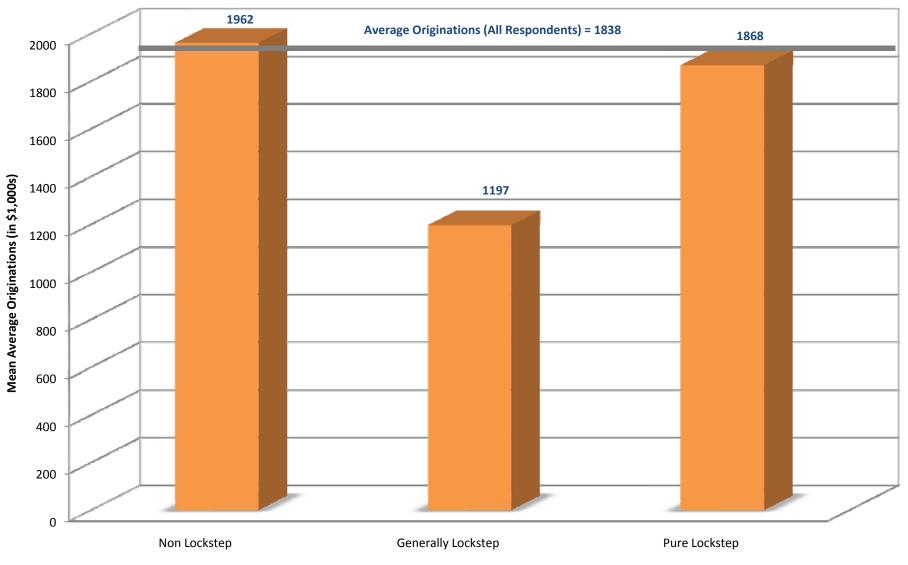
MAJOR, LINDSEY & AFRICA ATTORNEY SEARCH CONSULTANTS

By Compensation Transparency



Mean Average Originations By Lockstep Type



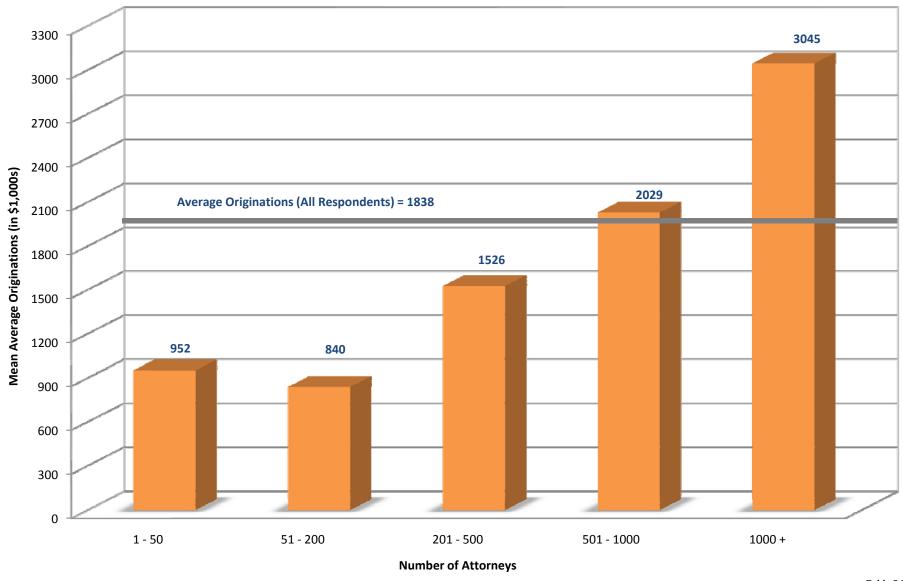


Lockstep Type

Table 5.6 Mean Average Originations

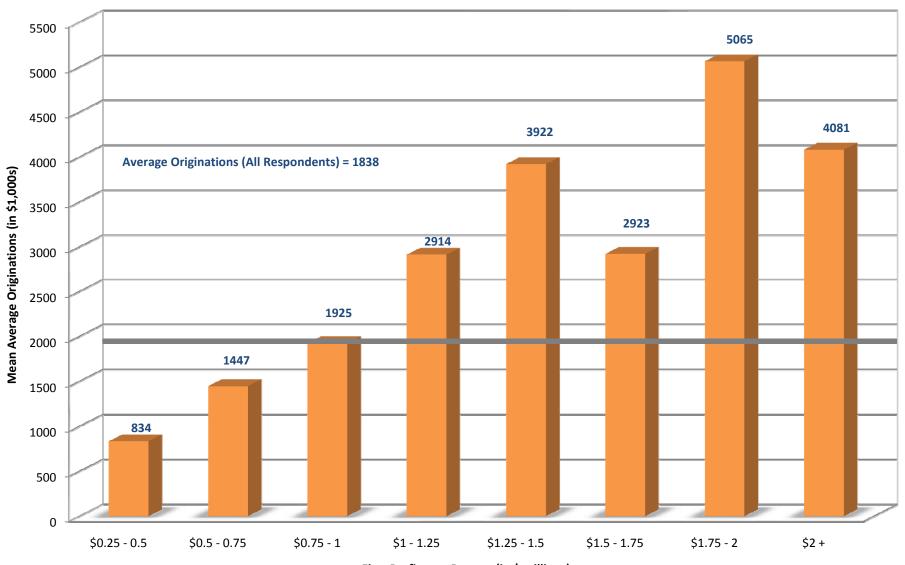






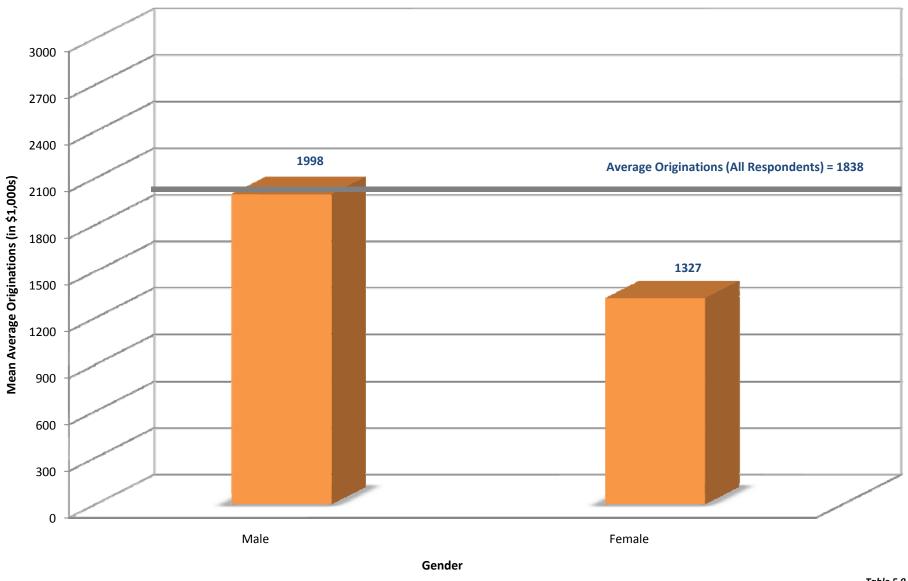
Mean Average Originations By Firm PPP





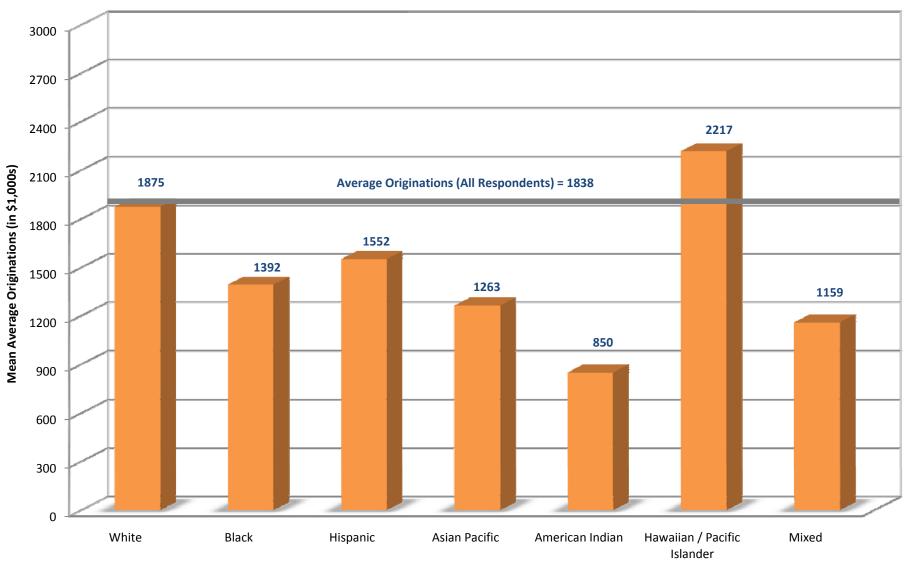


By Gender



Mean Average Originations By Ethnicity





Appendix 6: Mean Average Working Attorney Receipts (Q13)

WAR

Q2) Yrs as P

Mean Average WAR (All Respondents) = 1113

WZ) 113 d3 1	WAIN
1 - 5	874
6 - 10	1133
11 - 20	1183
21 +	1316
Q3) Partnership Status	WAR
Equity	1310
Non-Equity	771
Q4) Practice Area	WAR
Lit	1149
Corp	1221
IP	1051
L&E	928
RE	785
Tax / Erisa	981
Other	1185
Q5) City	WAR
Atlanta	788
Boston	1159
Chicago	962
Dallas	885
DC / NoVA	1175
Houston	959
LA	1284
NY	1727
Phil	1078
SF	1234
Seattle	618
Q10) Compensation Transparency	WAR
Open	1212
Partially Open	963
Closed	941

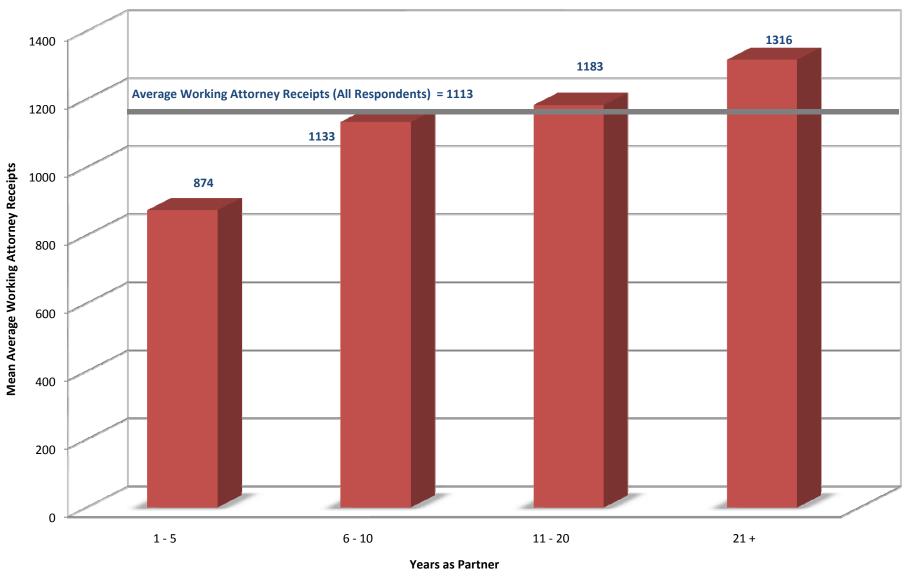
Q17) Lockstep Type	WAR
Non Lockstep	1101
Generally Lockstep	1109
Pure Lockstep	1815
Q30) Firm Size	WAR
1 - 50	684
51 - 200	678
201 - 500	1016
501 - 1000	1249
1000 +	1454
Q31) Firm PPP	WAR
\$0.25 - 0.5	633
\$0.5 - 0.75	946
\$0.75 - 1	1175
\$1 - 1.25	1613
\$1.25 - 1.5	1587
\$1.5 - 1.75	2010
\$1.75 - 2	1575
\$2 +	2611
Q32) Gender	WAR
Male	1115
Female	1065
Q33) Ethnicity	WAR
White	1122
Black	937
Hispanic	770
Asian Pacific	1053
American Indian	1000
Hawaiian / Pacific Islander	583
	1014



Mean Average Working Attorney Receipts

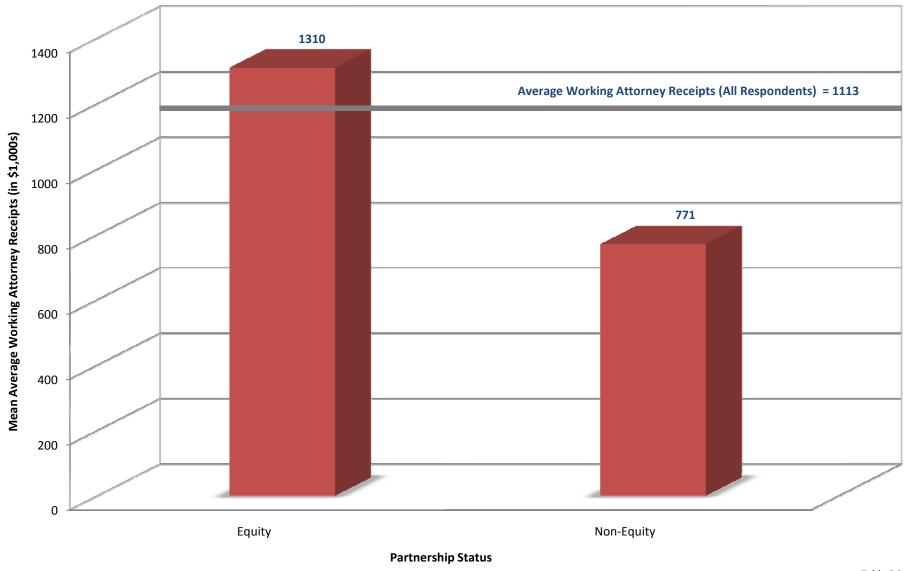






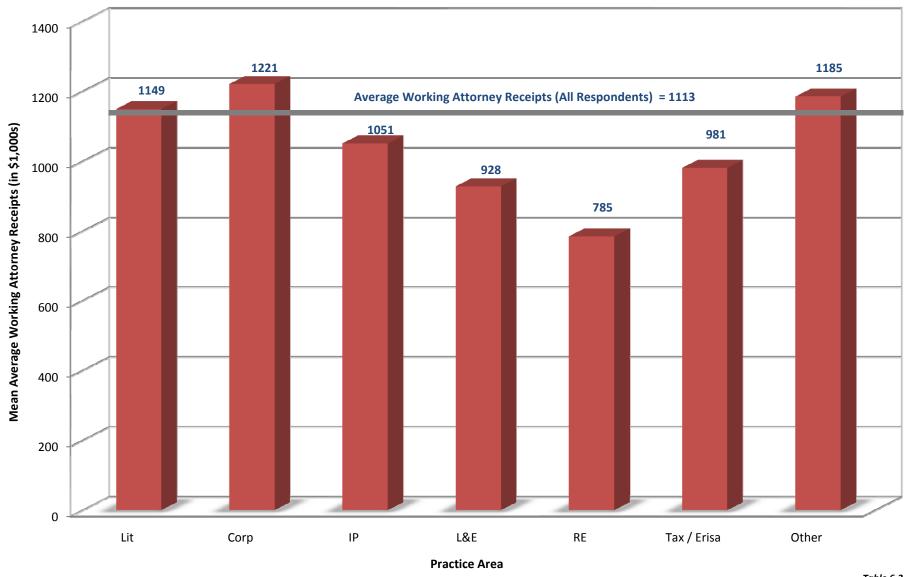
Mean Average Working Attorney Receipts By Partnership Status





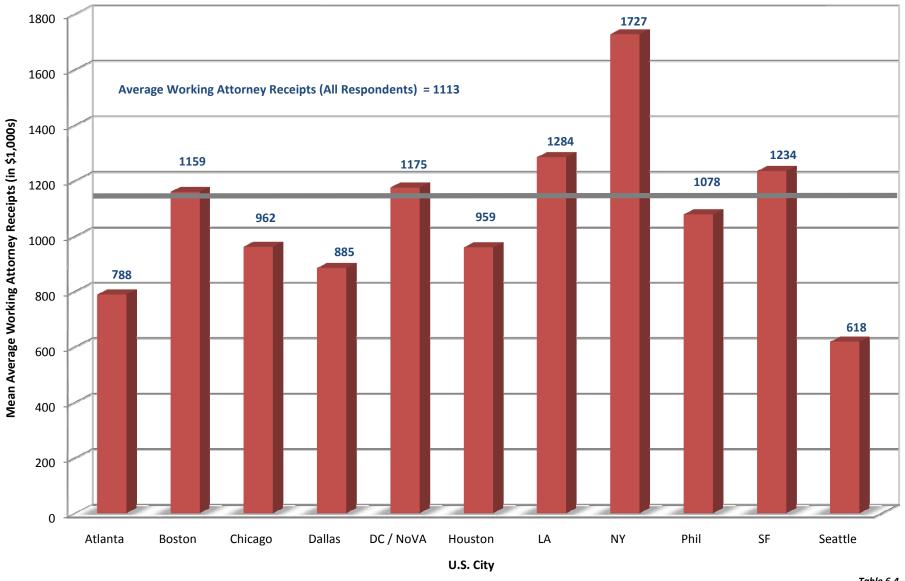
Mean Average Working Attorney Receipts By Practice Area





Mean Average Working Attorney Receipts By City

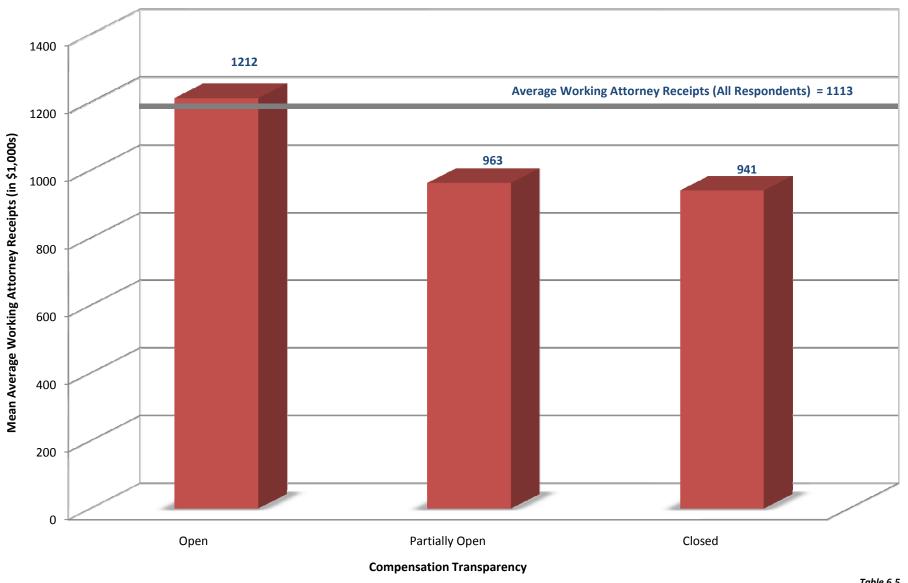




Mean Average Working Attorney Receipts

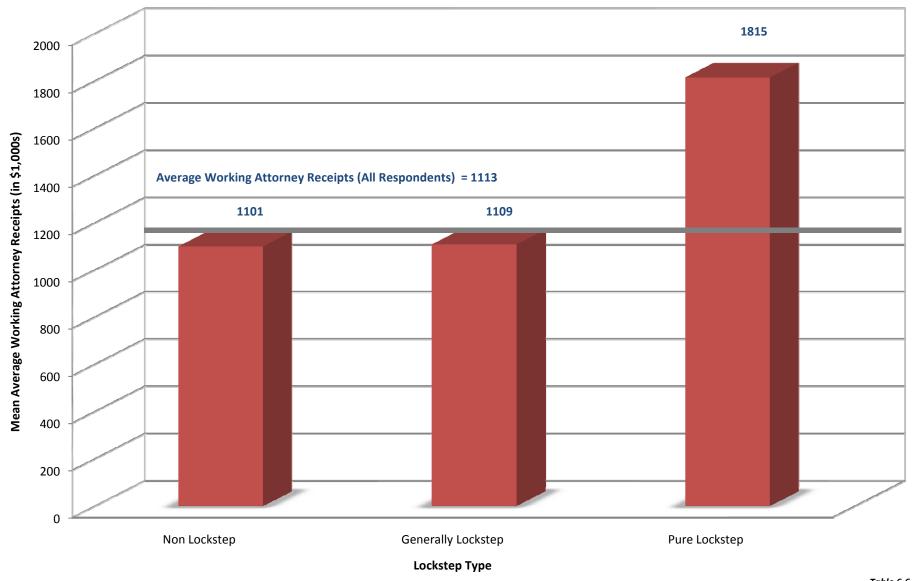


By Compensation Transparency



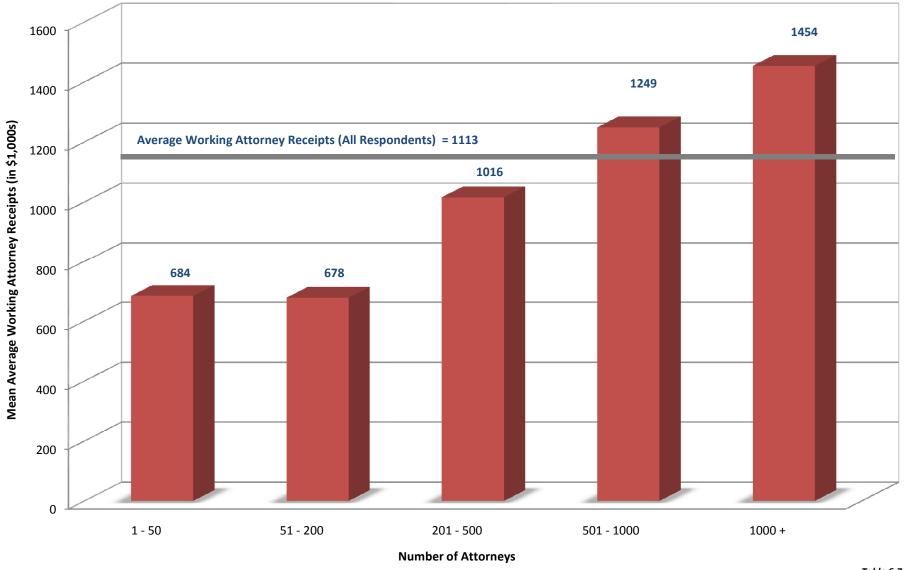
Mean Average Working Attorney Receipts By Lockstep Type





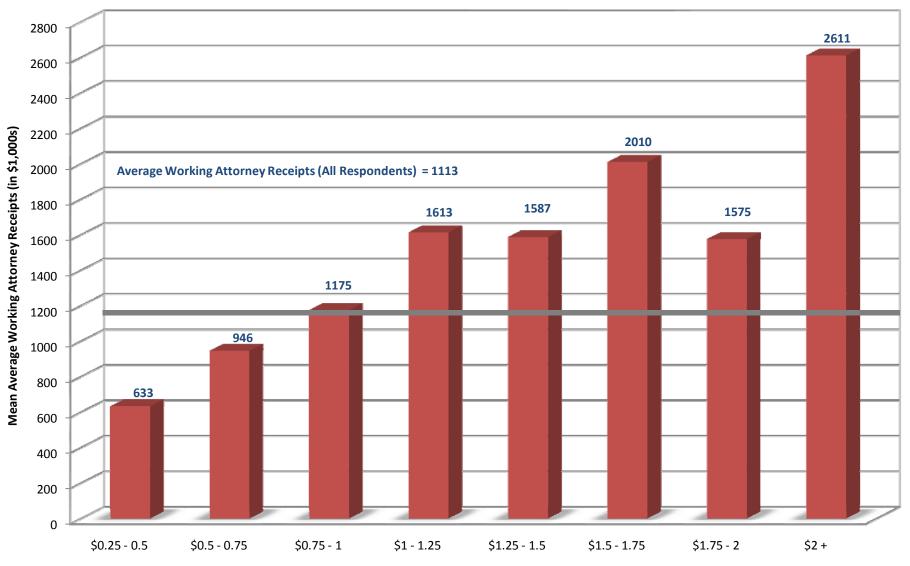
Mean Average Working Attorney Receipts By Firm Size





Mean Average Working Attorney Receipts By Firm PPP

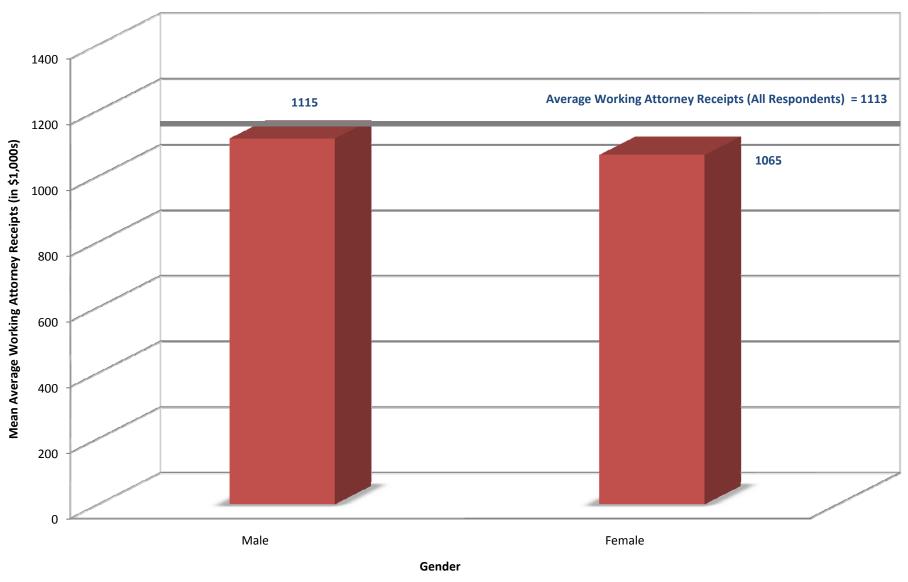




Firm Profits per Partner (in \$ millions)

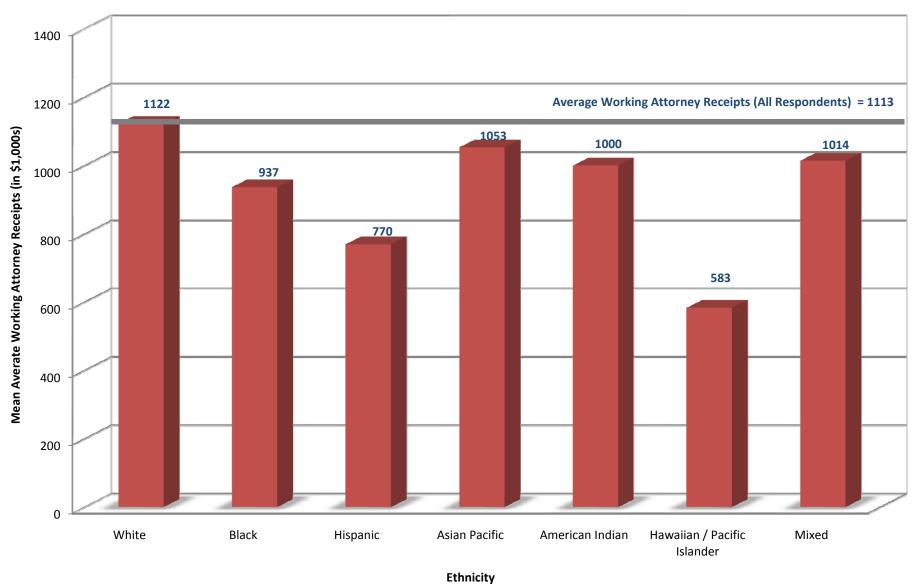
MAJOR, LINDSEY & AFRICA.

Mean Average Working Attorney Receipts By Gender



MAJOR, LINDSEY & AFRICA ATTORNEY SEARCH CONSULTANTS

Mean Average Working Attorney Receipts By Ethnicity



Appendix 7 - Mean Average Billing Rate (Q14)

Q2) Yrs as P	Bill Rate
1 - 5	498
6 - 10	531
11 - 20	578
21 +	630

Q3) Partnership Status	Bill Rate
Equity	591
Non-Equity	491

Q4) Practice Area	Bill Rate
Lit	541
Corp	614
IP	560
L&E	462
RE	522
Tax / Erisa	615
Other	542

Q5) City	Bill Rate
Atlanta	458
Boston	590
Chicago	518
Dallas	529
DC / NoVA	608
Houston	571
LA	587
NY	700
Phil	516
SF	597
Seattle	420

Q10) Compensation Transparency	Bill Rate
Open	574
Partially Open	536
Closed	510

Mean Average Billing Rate = 555

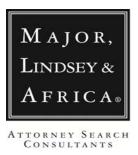
Q17) Lockstep Type	Bill Rate
Non Lockstep	557
Generally Lockstep	543
Pure Lockstep	607

Q30) Firm Size	Bill Rate
1 - 50	376
51 - 200	436
201 - 500	519
501 - 1000	605
1000 +	666

Q31) Firm PPP	Bill Rate
\$0.25 - 0.5	419
\$0.5 - 0.75	512
\$0.75 - 1	608
\$1 - 1.25	675
\$1.25 - 1.5	709
\$1.5 - 1.75	740
\$1.75 - 2	837
\$2 +	797

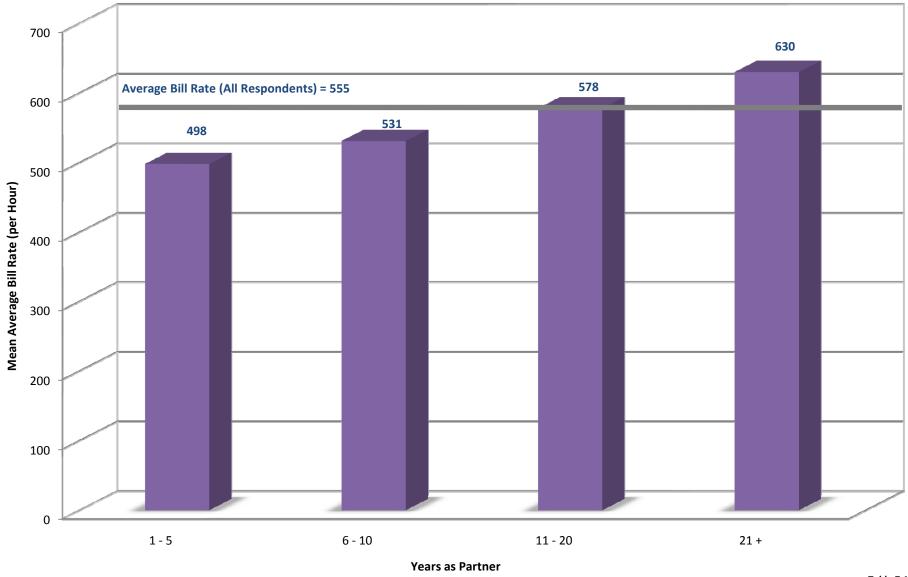
Q32) Gender	Bill Rate
Male	564
Female	523

Q33) Ethnicity	Bill Rate
White	557
Black	543
Hispanic	518
Asian Pacific	532
American Indian	613
Hawaiian / Pacific Islander	388
Mixed	532



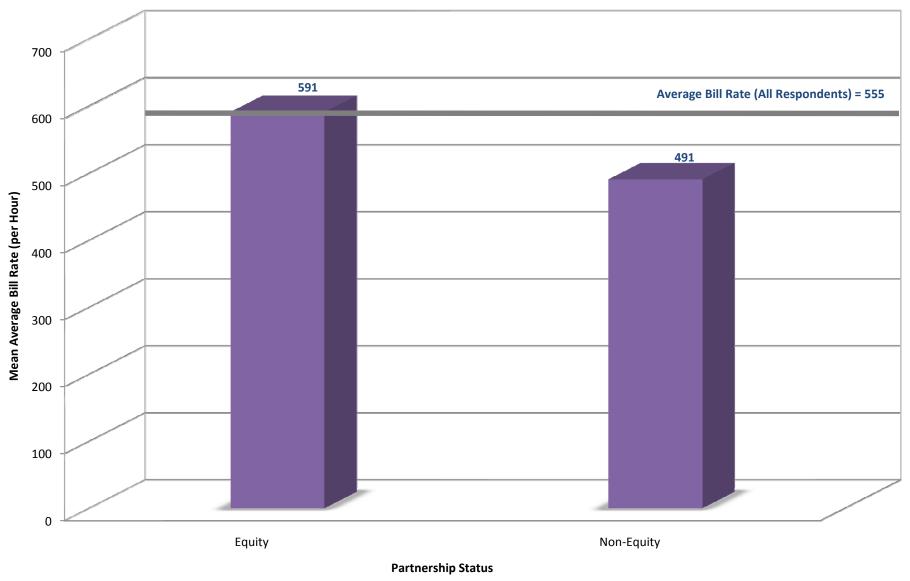






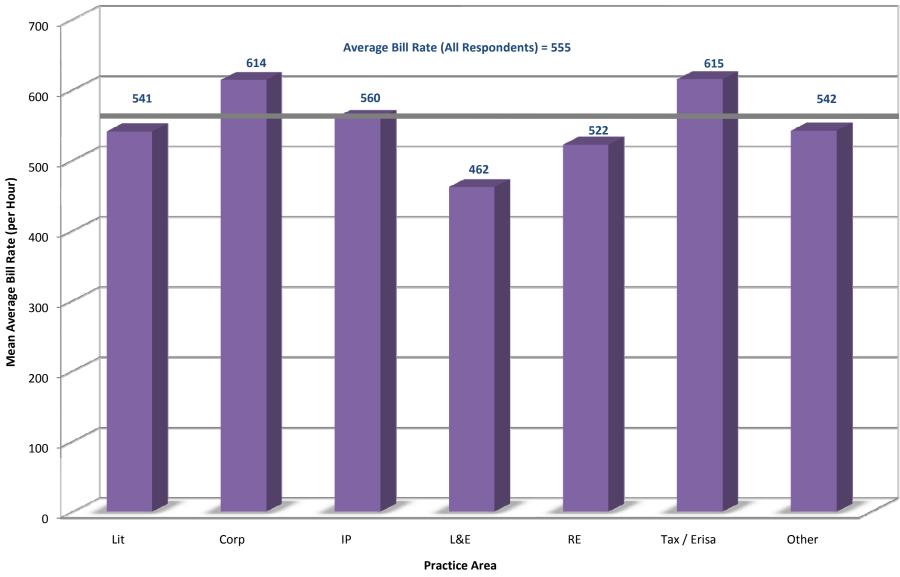
Mean Average Billing Rate By Partnership Status



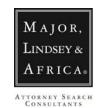


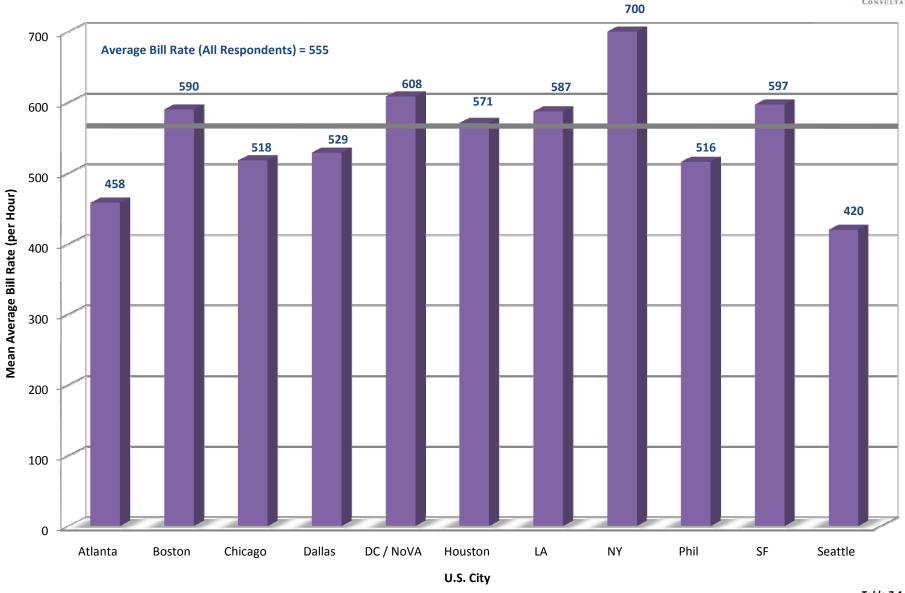
Mean Average Billing Rate By Practice Area





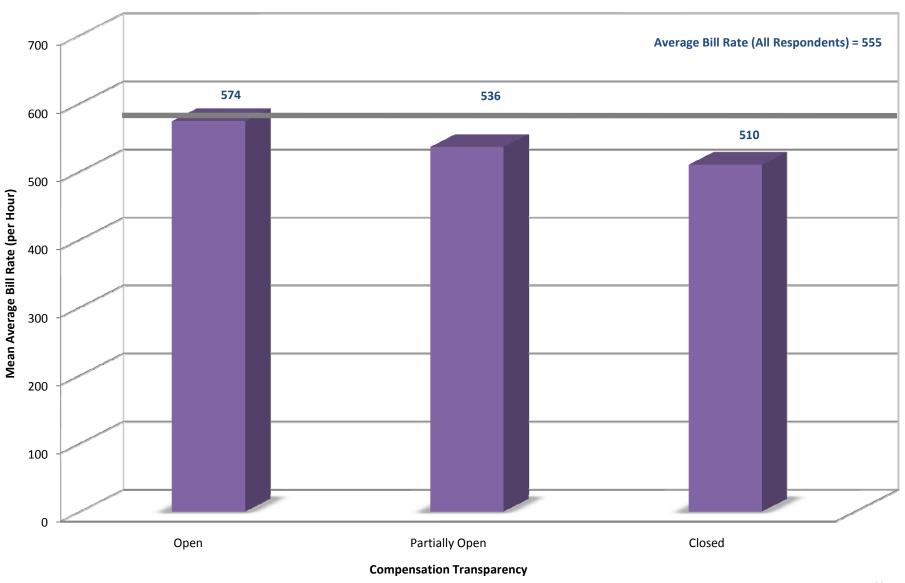
Mean Average Billing Rate By City





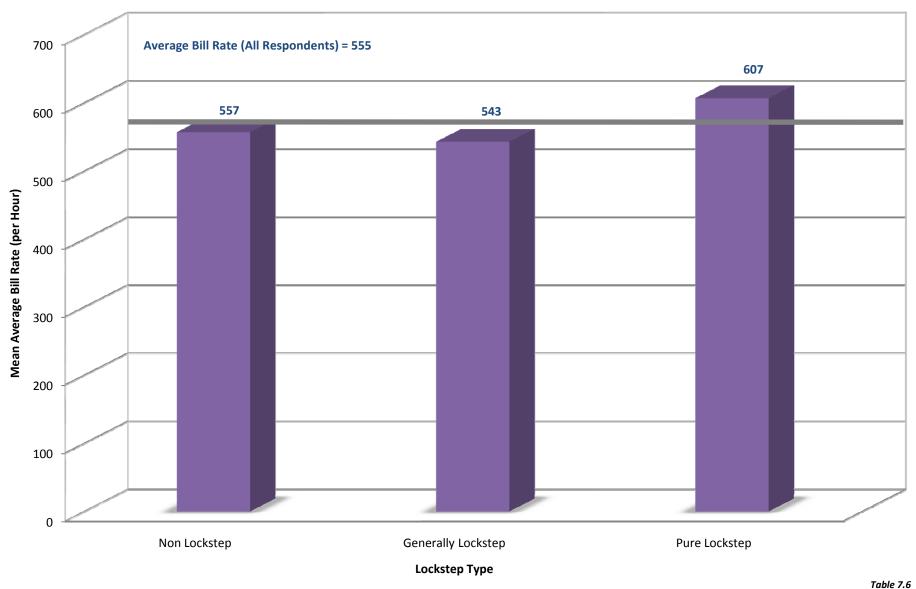


By Compensation Transparency



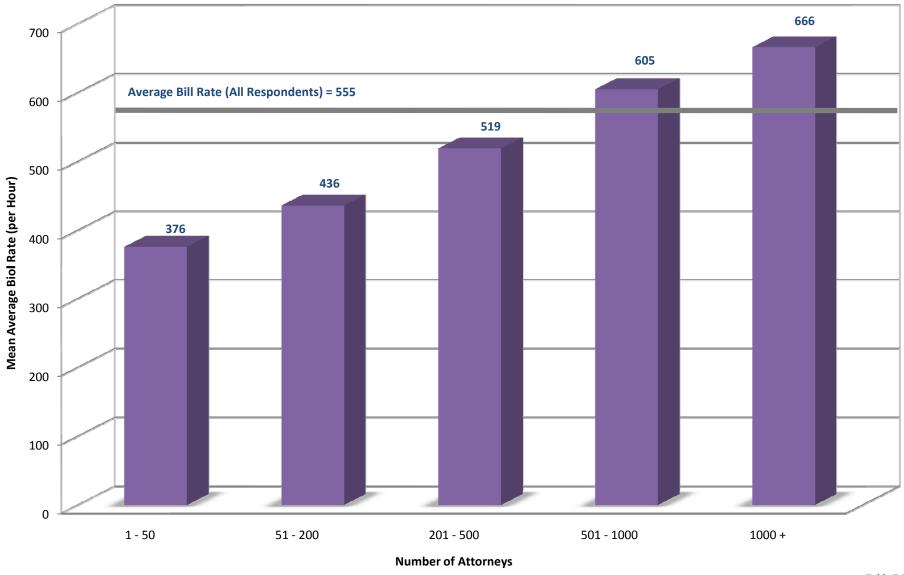






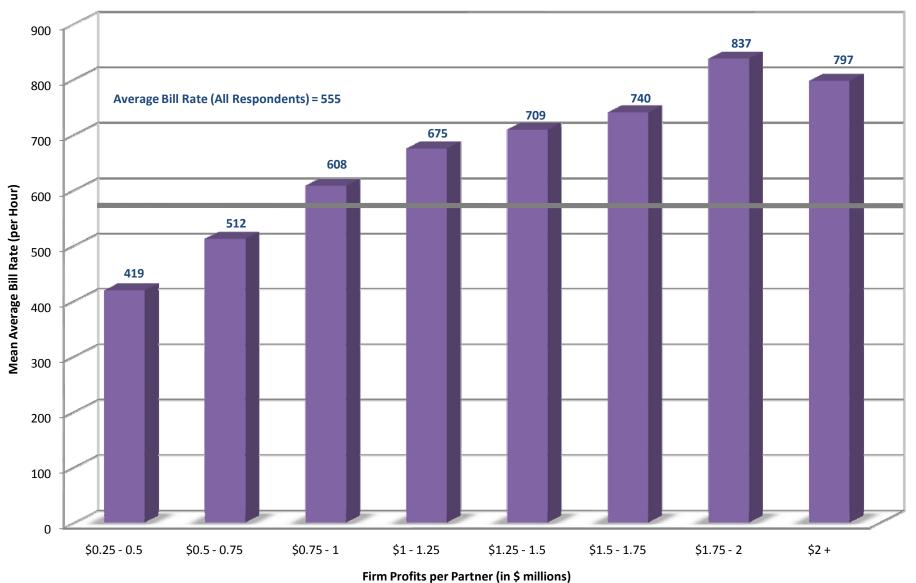






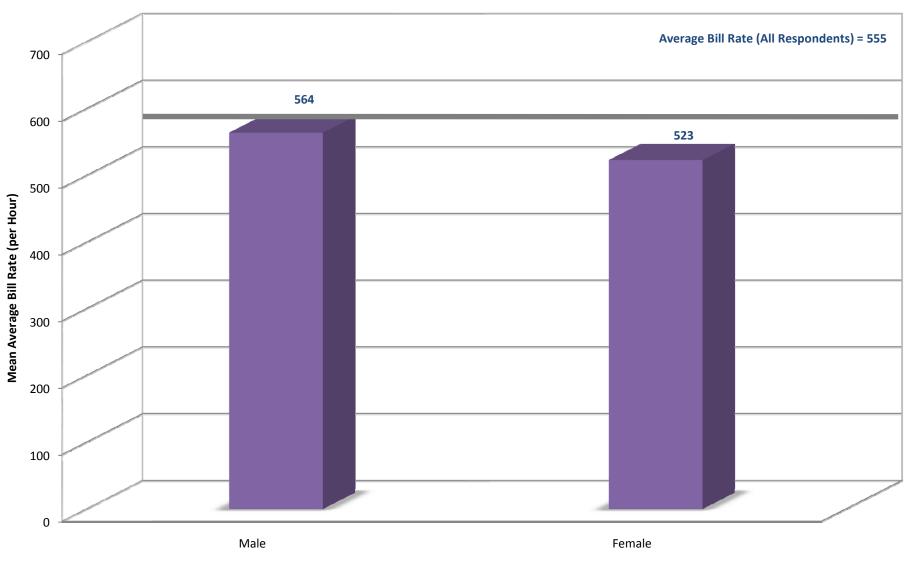
Mean Average Billing Rate By Firm PPP





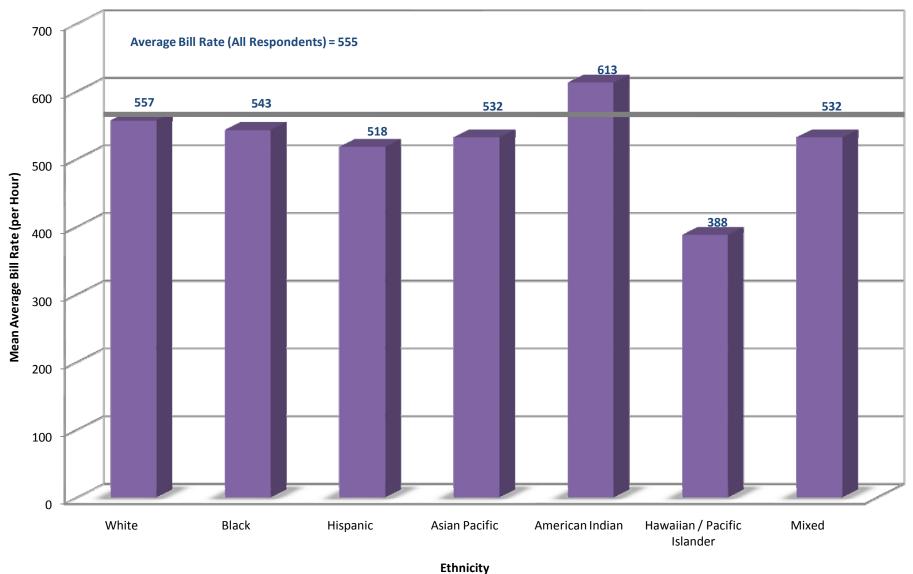
Mean Average Billing Rate By Gender





Mean Average Billing Rate By Ethnicity





Appendix 8 - Mean Average Billable Hours (Q15)

Q2) Yrs as P	Billable Hours
1 - 5	1717
6 - 10	1698
11 - 20	1651
21 +	1543

Q3) Partnership Status	Billable Hours
Equity	1683
Non-Equity	1618

Q4) Practice Area	Billable Hours
Lit	1817
Corp	1501
IP	1751
L&E	1675
RE	1434
Tax / Erisa	1629
Other	1670

Q5) City	Billable Hours
Atlanta	1630
Boston	1645
Chicago	1660
Dallas	1770
DC / NoVA	1700
Houston	1660
LA	1700
NY	1646
Phil	1607
SF	1691
Seattle	1479

Q10) Compensation Transparency	Billable Hours
Open	1659
Partially Open	1669
Closed	1652

Mean Average Billable Hours = 1657

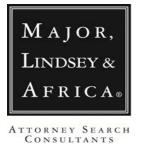
Q17) Lockstep Type	Billable Hours
Non Lockstep	1643
Generally Lockstep	1728
Pure Lockstep	1730

Q30) Firm Size	Billable Hours
1 - 50	1657
51 - 200	1584
201 - 500	1671
501 - 1000	1648
1000 +	1712

Q31) Firm PPP	Billable Hours
\$0.25 - 0.5	1565
\$0.5 - 0.75	1617
\$0.75 - 1	1661
\$1 - 1.25	1745
\$1.25 - 1.5	1677
\$1.5 - 1.75	1670
\$1.75 - 2	1676
\$2 +	1988

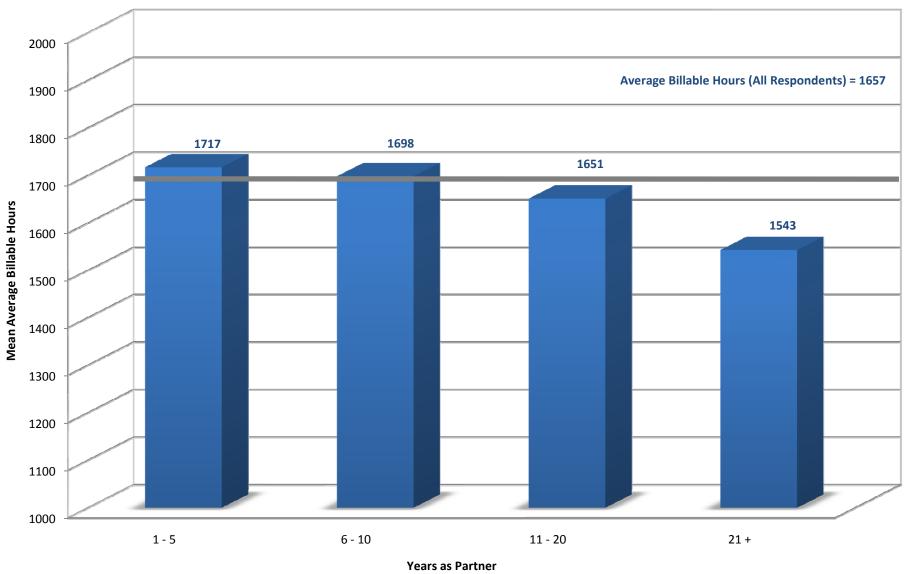
Q32) Gender	Billable Hours
Male	1666
Female	1622

Q33) Ethnicity	Billable Hours
White	1663
Black	1400
Hispanic	1633
Asian Pacific	1716
American Indian	1601
Hawaiian / Pacific Islander	1526
Mixed	1640



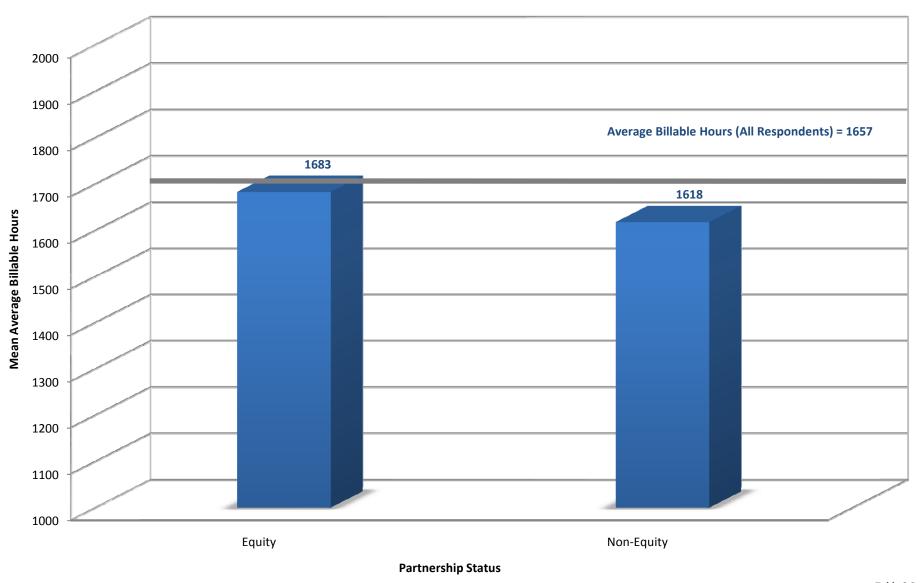
Mean Average Billable Hours By Years as Partner





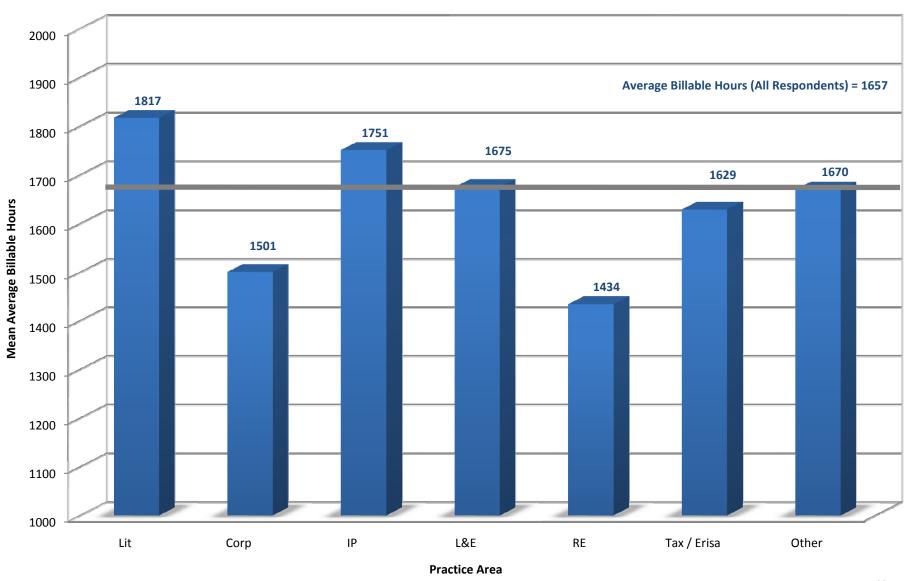


By Partership Status



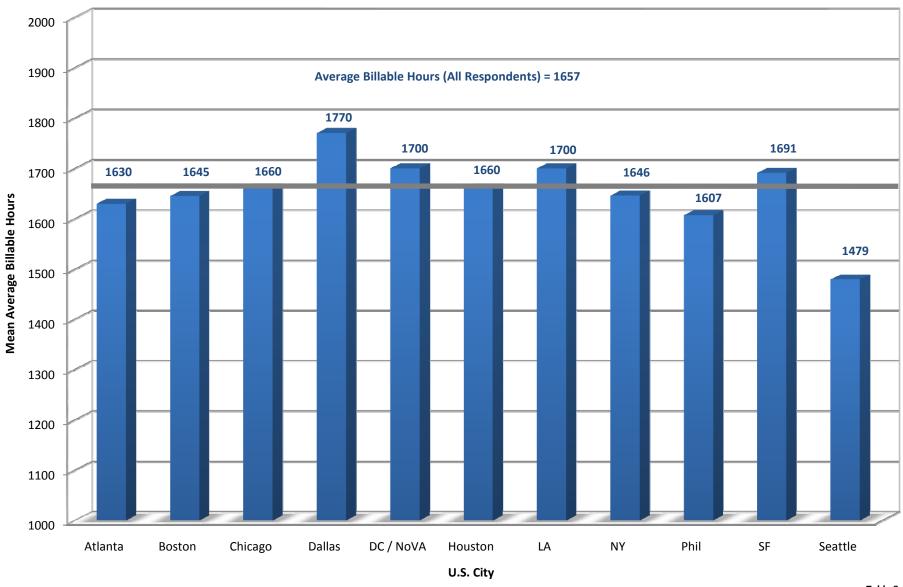


By Practice Area



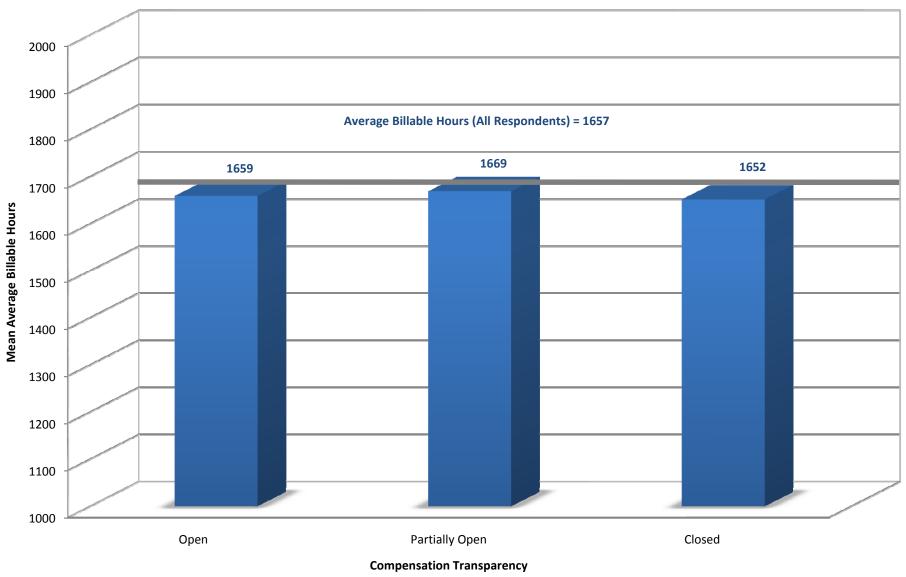
Mean Average Billable Hours By City





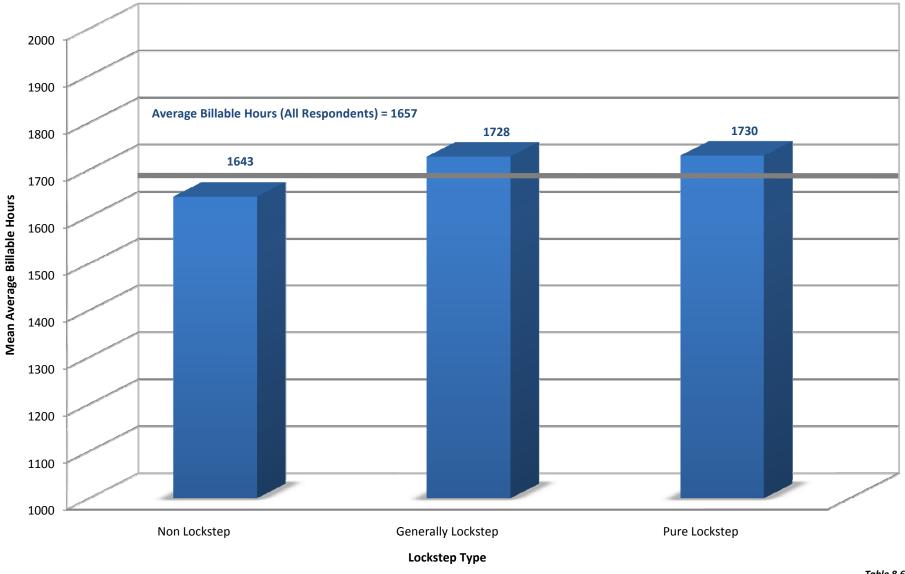
MAJOR, LINDSEY & AFRICA.

By Compensation Transparency



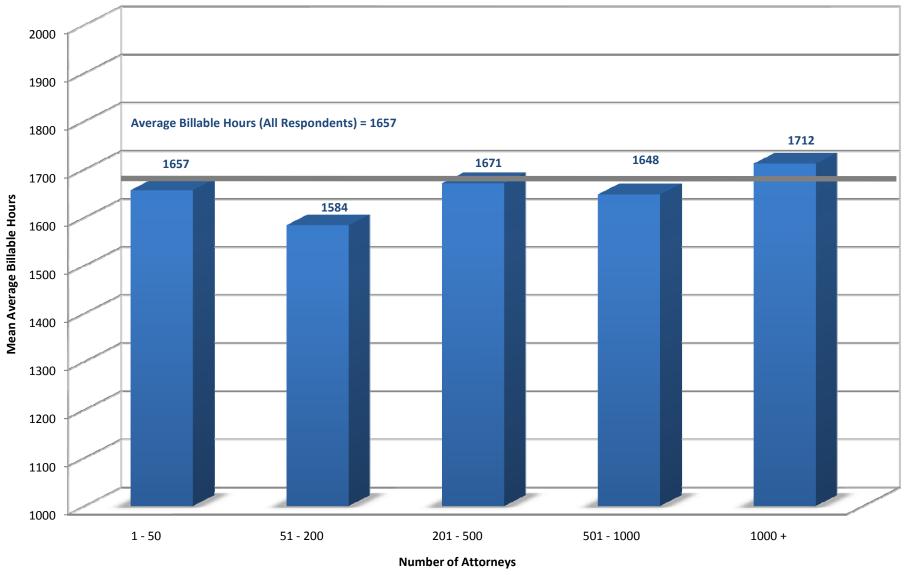




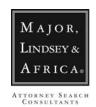


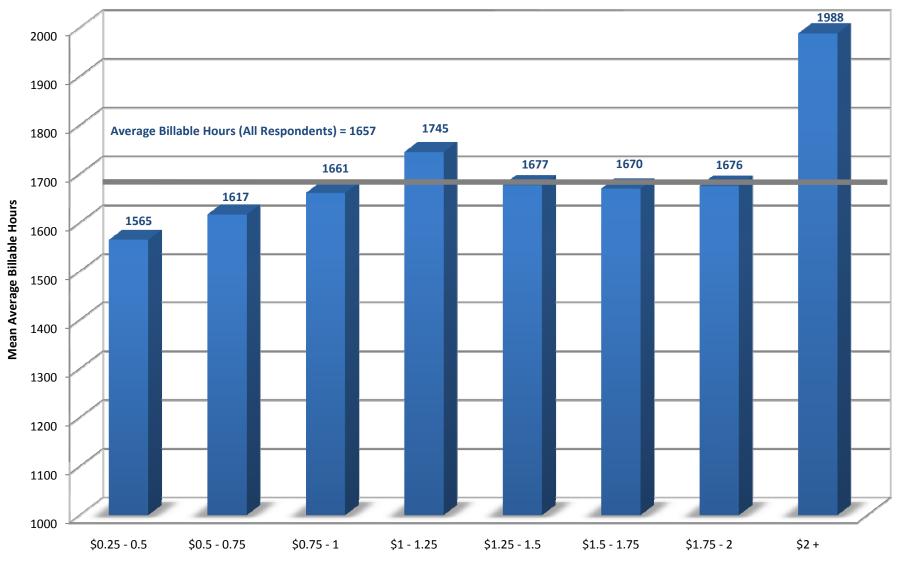






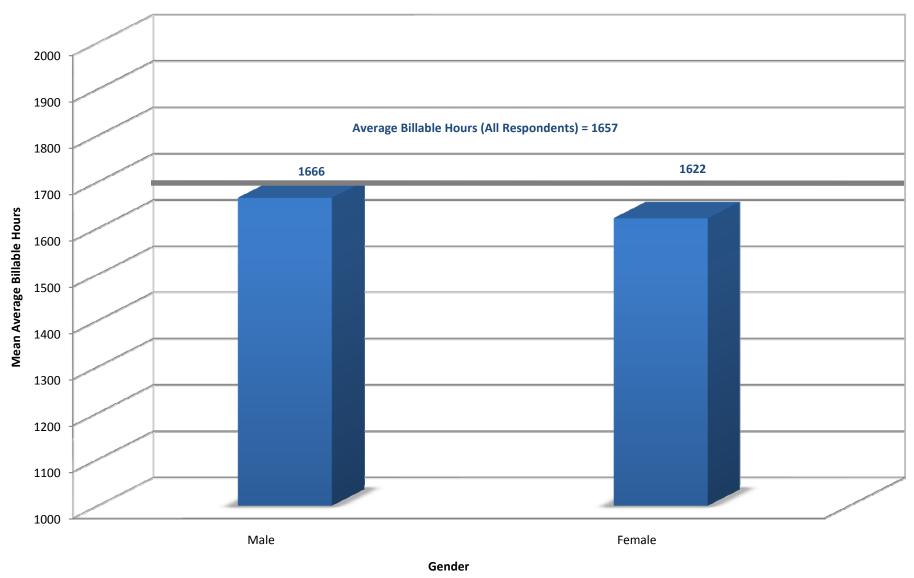
Mean Average Billable Hours By Firm PPP





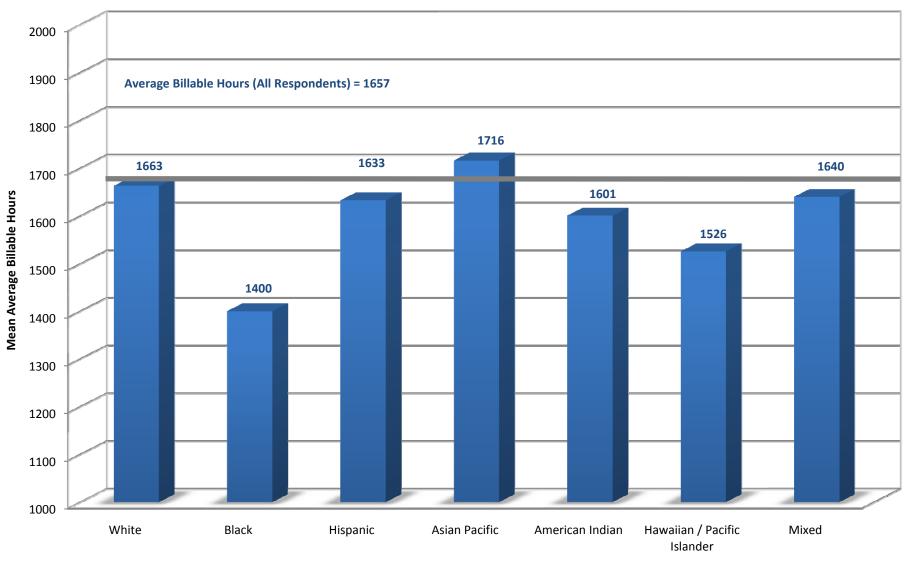
Mean Average Billable Hours By Gender





Mean Average Billable Hours By Ethnicity





Ethnicity

Appendix 9 - Mean Average Non-Billable Hours (Q16)

Q2) Yrs as P	Non-Billable Hours
1 - 5	496
6 - 10	500
11 - 20	583
21 +	694

Q3) Partnership Status	Non-Billable Hours
Equity	591
Non-Equity	505

Q4) Practice Area	Non-Billable Hours
Lit	451
Corp	676
IP	505
L&E	563
RE	598
Tax / Erisa	535
Other	585

Q5) City	Non-Billable Hours
Atlanta	624
Boston	588
Chicago	468
Dallas	543
DC / NoVA	610
Houston	632
LA	551
NY	604
Phil	555
SF	640
Seattle	553

Q10) Compensation Transparency	Non-Billable Hours
Open	587
Partially Open	535
Closed	487

Mean Average Non-Billable Hours = 563

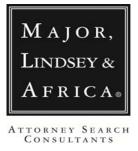
Q17) Lockstep Type	Non-Billable Hours
Non Lockstep	578
Generally Lockstep	483
Pure Lockstep	455

Q30) Firm Size	Non-Billable Hours
1 - 50	388
51 - 200	486
201 - 500	532
501 - 1000	620
1000 +	624

Q31) Firm PPP	Non-Billable Hours
\$0.25 - 0.5	474
\$0.5 - 0.75	620
\$0.75 - 1	641
\$1 - 1.25	589
\$1.25 - 1.5	647
\$1.5 - 1.75	640
\$1.75 - 2	710
\$2 +	441

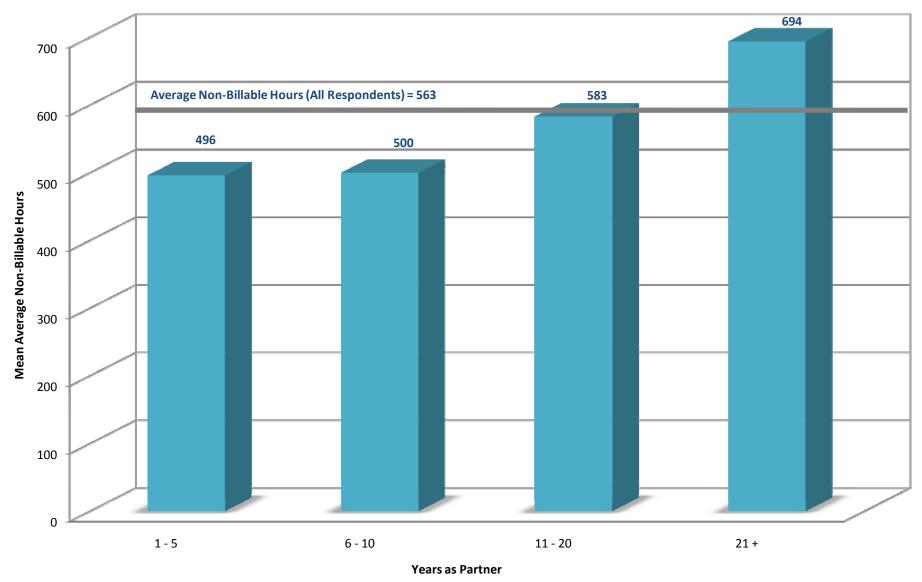
Q32) Gender	Non-Billable Hours
Male	567
Female	548

Q33) Ethnicity	Non-Billable Hours
White	562
Black	631
Hispanic	537
Asian Pacific	512
American Indian	626
Hawaiian / Pacific Islander	667
Mixed	514



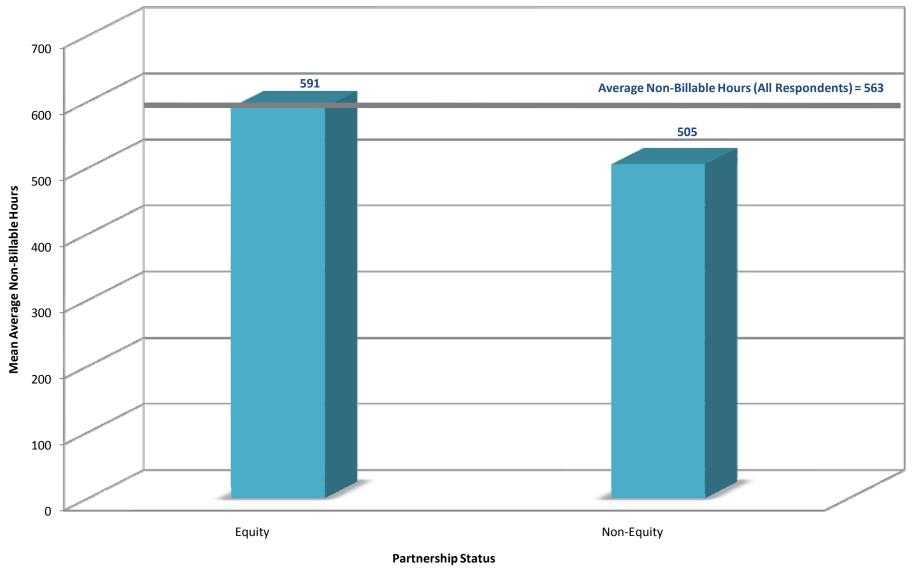
Mean Average Non-Billable Hours By Years as Partner





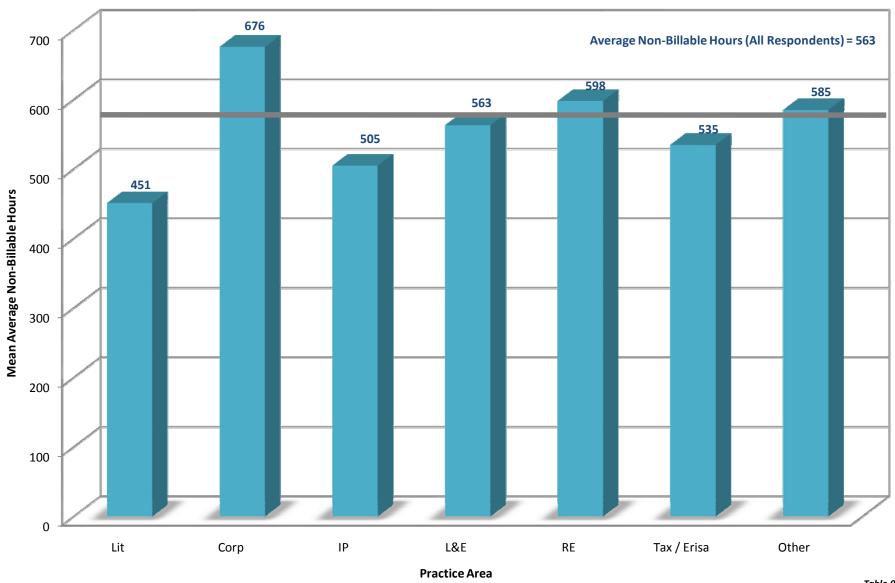
Mean Average Non-Billable Hours By Partnership Status





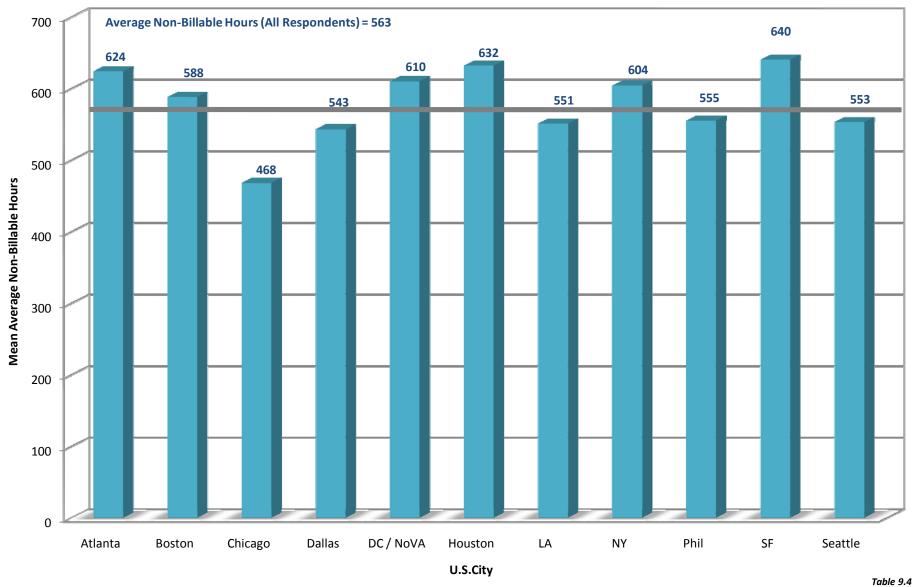


By Practice Area



Mean Average Non-Billable Hours By City

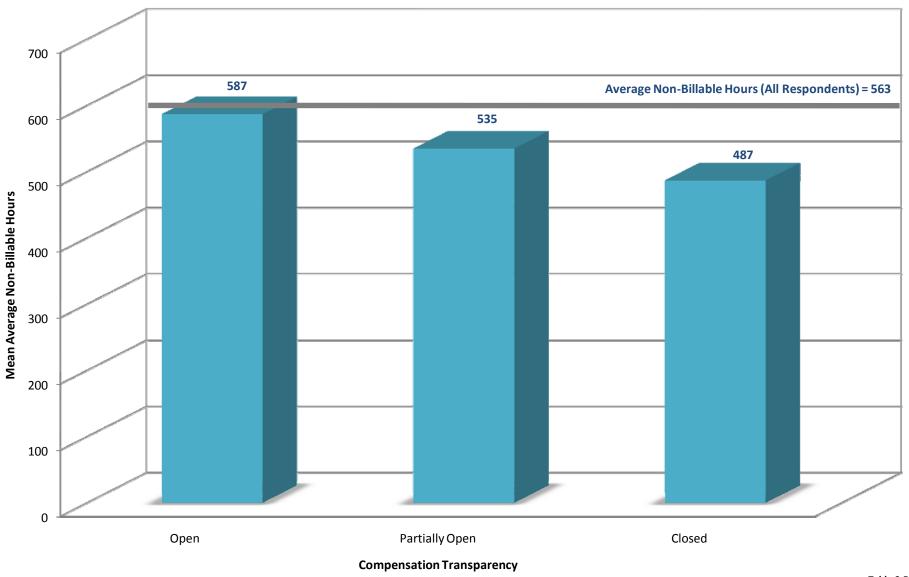




Mean Average Non-Billable Hours



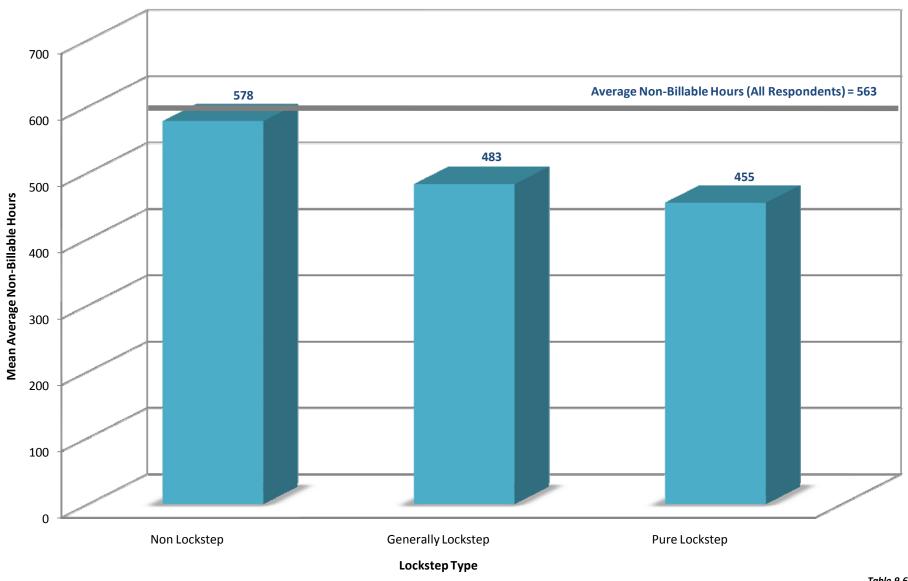
By Compensation Transparency



Mean Average Non-Billable Hours



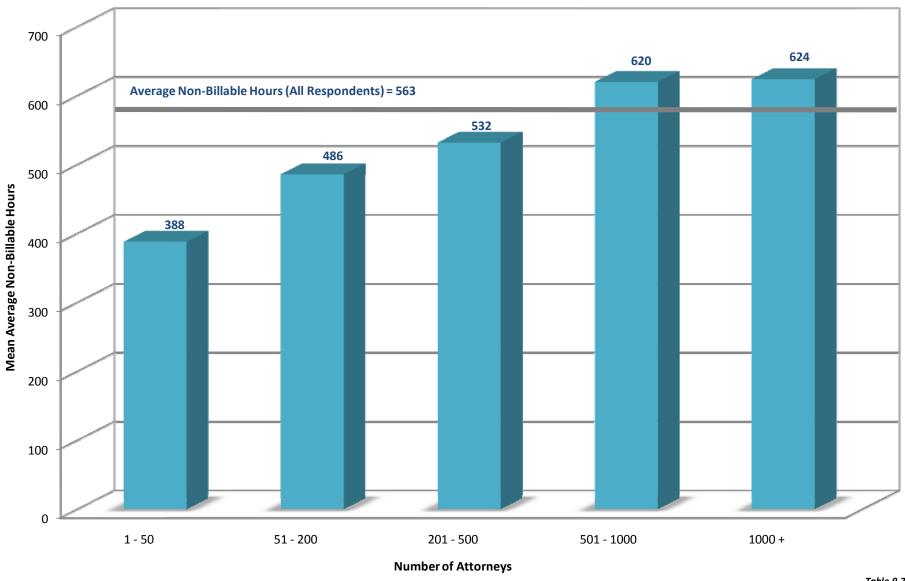




Mean Average Non-Billable Hours

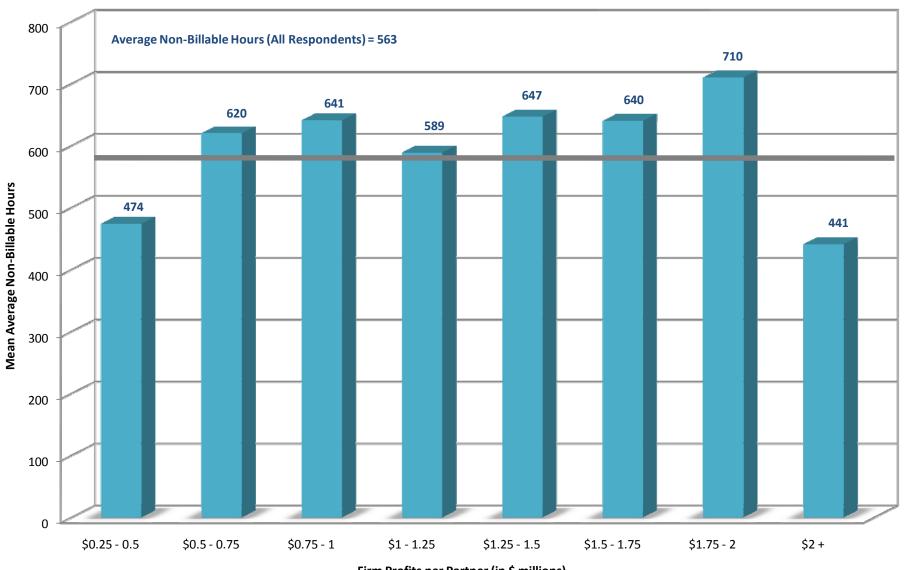






Mean Average Non-Billable Hours By Firm PPP



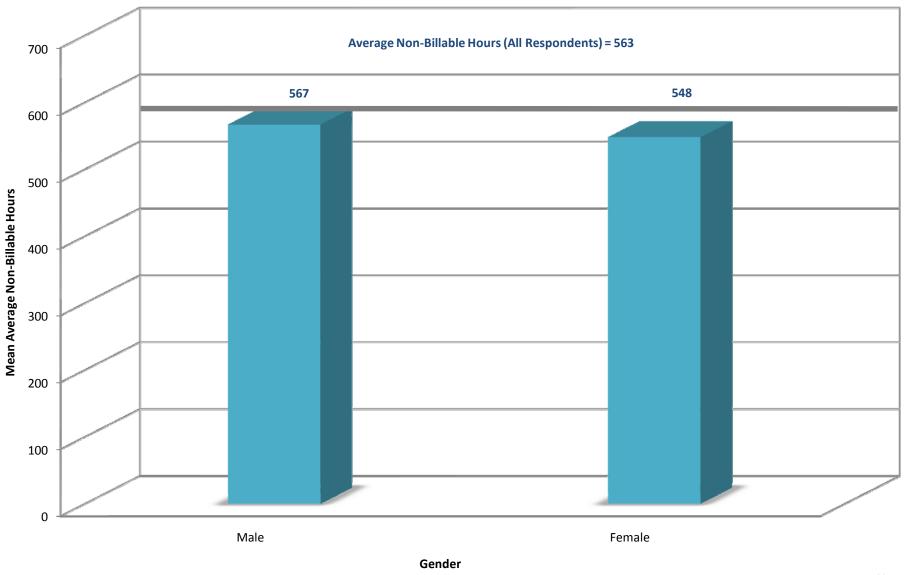


Firm Profits per Partner (in \$ millions)

Table 9.8 Average Non-Billable Hours

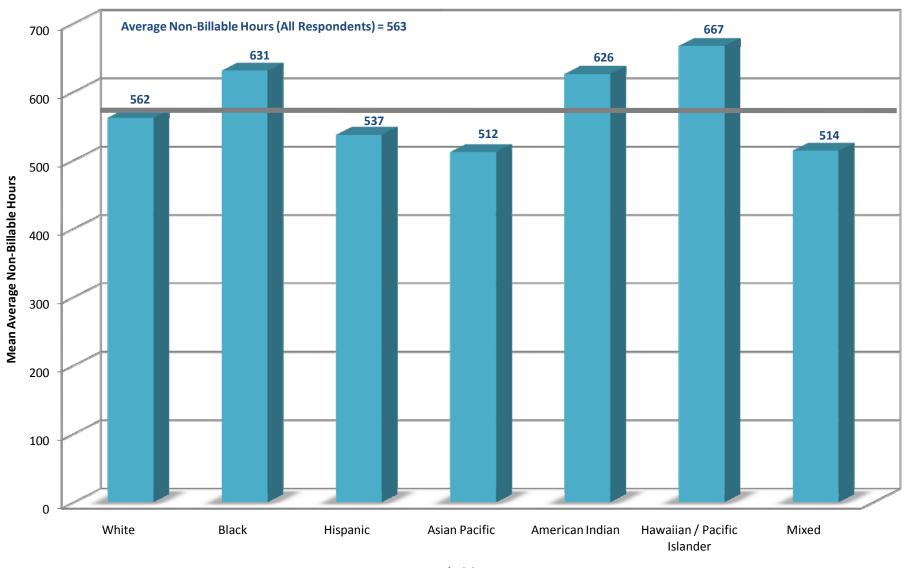
Mean Average Non-Billable Hours By Gender





Mean Average Non-Billable Hours By Ethnicity





Ethnicity

Table 9.10 Average Non-Billable Hours

Appendix 10 - Total Compensation Satisfaction

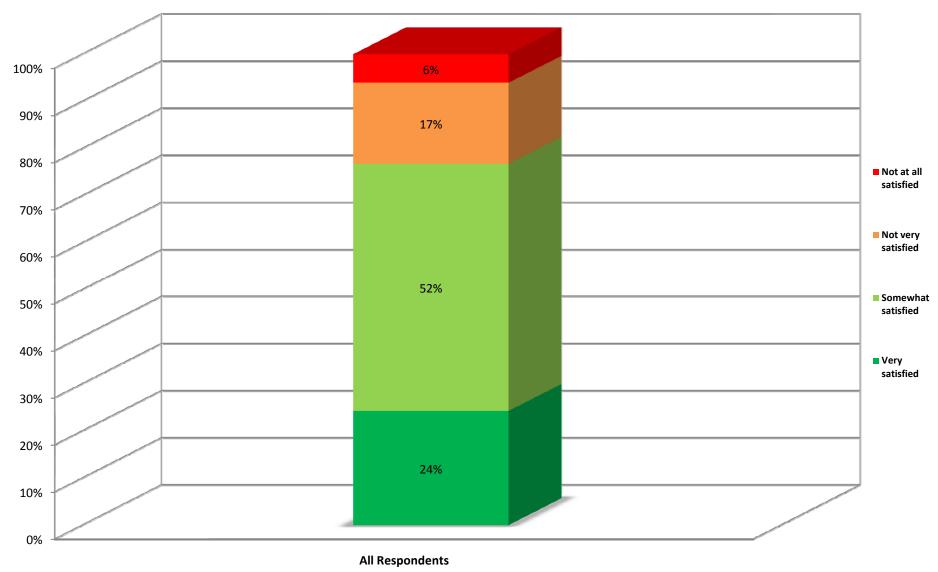
All	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied	All	Very satisfied	Somewhat satisfied	Not ver satisfie
All Respondents	24%	52%	17%	6%	All Respondents	24%	52%	17%
Q2) Yrs as Partner	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied	Q8) Move-Related Comp Changes	Very satisfied	Somewhat satisfied	Not very satisfied
1 - 5	21%	52%	18%	8%	Increased	30%	51%	12%
6 - 10	17%	56%	18%	6%	Decreased	9%	45%	33%
11 - 20	28%	51%	15%	5%	No Change	22%	57%	16%
21 +	28%	49%	17%	4%				
Q3) Partnerhip Status	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied	Q10) Compensation Transparency	Very satisfied	Somewhat satisfied	Not very satisfied
Equity	28%	52%	14%	5%	Open	29%	50%	16%
Non-Equity	15%	53%	23%	8%	Partially Open	15%	63%	14%
					Closed	16%	52%	21%
Q4) Practice Area	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied				
Lit	24%	50%	20%	5%	Q11) Total Compensation	Very satisfied	Somewhat satisfied	Not very satisfied
Corp	23%	55%	15%	5%	< \$0.3	11%	49%	28%
Р	27%	48%	16%	7%	\$0.3 - 0.5	17%	58%	17%
.&E	15%	61%	15%	5%	\$0.5 - 1	30%	52%	13%
RE	23%	46%	19%	11%	\$1 - 1.5	35%	53%	9%
Γax / ERISA	20%	63%	9%	4%	\$1.5 +	56%	41%	4%
Other	26%	51%	16%	5%				
					Q12) Total Originations	Very satisfied	Somewhat satisfied	Not very satisfied
Q5) City	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied	\$0 - 1	18%	53%	20%
Atl	20%	=0 0/	4.40/	3%	\$1 - 2	250/	54%	160/
	2070	58%	14%	370	¥· =	25%	34%	16%
Bos	18%	58% 55%	19%	6%	\$2 - 3	30%	49%	15%
					•			
Chi	18%	55%	19%	6%	\$2 - 3	30%	49%	15%
Chi Dallas	18% 19%	55% 55%	19% 16%	6% 8%	\$2 - 3 \$3 - 5	30% 29%	49% 53%	15% 11%
Chi Dallas DC / NoVA	18% 19% 27%	55% 55% 56%	19% 16% 15%	6% 8% 2%	\$2 - 3 \$3 - 5	30% 29%	49% 53%	15% 11%
Chi Dallas DC / NoVA Hou	18% 19% 27% 28%	55% 55% 56% 53%	19% 16% 15% 15%	6% 8% 2% 3%	\$2 - 3 \$3 - 5 \$5 +	30% 29% 38% Very	49% 53% 50%	15% 11% 8% Not very
Chi Dallas DC / NoVA Hou LA	18% 19% 27% 28% 29%	55% 55% 56% 53% 54%	19% 16% 15% 15% 14%	6% 8% 2% 3% 3%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours	30% 29% 38% Very satisfied	49% 53% 50% Somewhat satisfied	15% 11% 8% Not very satisfied
Chi Dallas DC / NoVA Hou LA	18% 19% 27% 28% 29% 25%	55% 55% 56% 53% 54% 59%	19% 16% 15% 15% 14%	6% 8% 2% 3% 3% 5%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500	30% 29% 38% Very satisfied 24%	49% 53% 50% Somewhat satisfied 49%	15% 11% 8% Not very satisfied 17%
Chi Dallas DC / NoVA Hou LA NY	18% 19% 27% 28% 29% 25% 22%	55% 55% 56% 53% 54% 59% 50%	19% 16% 15% 15% 14% 11%	6% 8% 2% 3% 3% 5% 8% 12% 4%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500 1501 - 1800	30% 29% 38% Very satisfied 24% 21%	49% 53% 50% Somewhat satisfied 49% 53%	15% 11% 8% Not very satisfied 17% 19%
Chi Dallas DC / NoVA Hou LA NY Phil	18% 19% 27% 28% 29% 25% 22% 28%	55% 55% 56% 53% 54% 59% 50% 45%	19% 16% 15% 15% 14% 11% 19%	6% 8% 2% 3% 3% 5% 8% 12%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500 1501 - 1800 1801 - 2100	30% 29% 38% Very satisfied 24% 21% 23%	49% 53% 50% Somewhat satisfied 49% 53% 56%	15% 11% 8% Not very satisfied 17% 19% 16%
Chi Dallas DC / NoVA Hou LA NY Phil SF Sea	18% 19% 27% 28% 29% 25% 22% 28% 29% 26%	55% 55% 56% 53% 54% 59% 50% 45% 51% 42%	19% 16% 15% 15% 14% 11% 19% 13% 15% 19%	6% 8% 2% 3% 3% 5% 8% 12% 4% 9%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500 1501 - 1800 1801 - 2100 2101 - 2400	30% 29% 38% Very satisfied 24% 21% 23% 31% 33%	49% 53% 50% Somewhat satisfied 49% 53% 56% 46% 54%	15% 11% 8% Not very satisfied 17% 19% 16% 15% 10%
Chi Dallas DC / NoVA Hou LA NY Phil SF Sea Q6) Lateral Status	18% 19% 27% 28% 29% 25% 22% 28% 29% 26%	55% 55% 56% 53% 54% 59% 50% 45% 51% 42%	19% 16% 15% 15% 14% 11% 19% 13% 15% 19%	6% 8% 2% 3% 3% 5% 8% 12% 4% 9%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500 1501 - 1800 1801 - 2100 2101 - 2400 2400 +	30% 29% 38% Very satisfied 24% 21% 23% 31% 33%	49% 53% 50% Somewhat satisfied 49% 53% 56% 46% 54%	15% 11% 8% Not very satisfied 17% 19% 16% 15% 10%
Bos Chi Dallas DC / NoVA Hou LA NY Phil SF Sea Q6) Lateral Status Lateral Home Grown	18% 19% 27% 28% 29% 25% 22% 28% 29% 26% Very satisfied	55% 55% 56% 53% 54% 59% 50% 45% 51% 42% Somewhat satisfied	19% 16% 15% 15% 14% 11% 19% 13% 15% 19%	6% 8% 2% 3% 5% 8% 12% 4% 9%	\$2 - 3 \$3 - 5 \$5 + Q15) Total Billable Hours < 1500 1501 - 1800 1801 - 2100 2101 - 2400 2400 +	30% 29% 38% Very satisfied 24% 21% 23% 31% 33% Very satisfied	49% 53% 50% Somewhat satisfied 49% 53% 56% 46% 54% Somewhat satisfied	15% 11% 8% Not very satisfied 17% 19% 16% 15% 10% Not very satisfied

All	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied
All Respondents	24%	52%	17%	6%
Q30) Firm Size	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied
1 - 50	21%	55%	20%	4%
51 - 200	17%	54%	18%	8%
200 - 500	28%	52%	15%	4%
500 - 1000	24%	53%	15%	7%
1000 +	24%	49%	20%	5%
Q31) Firm PPP	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied
\$0.25 - 0.5	15%	55%	26%	4%
\$0.5 - 0.75	19%	53%	19%	6%
\$0.75 - 1	25%	55%	16%	4%
\$1 - 1.25	23%	52%	15%	8%
\$1.25 - 1.5	31%	51%	14%	4%
\$1.5 - 1.75	27%	52%	12%	9%
\$1.75 - 2	57%	33%	5%	5%
\$2 +	44%	42%	14%	0%
Q32) Gender	Very satisfied	Somewhat satisfied	Not at all satisfied	Not very satisfied
Male	24%	54%	5%	16%
Female	24%	47%	8%	19%
Q33) Ethnicity	Very satisfied	Somewhat satisfied	Not very satisfied	Not at all satisfied
White	25%	52%	16%	6%
Black	24%	44%	18%	12%
Hispanic	17%	63%	20%	0%
Asian Pacific	16%	54%	27%	4%
American Indian	0%	0%	50%	50%
Hawaiian/ Pacific Islander	0%	67%	0%	33%
Mixed	14%	59%	14%	14%



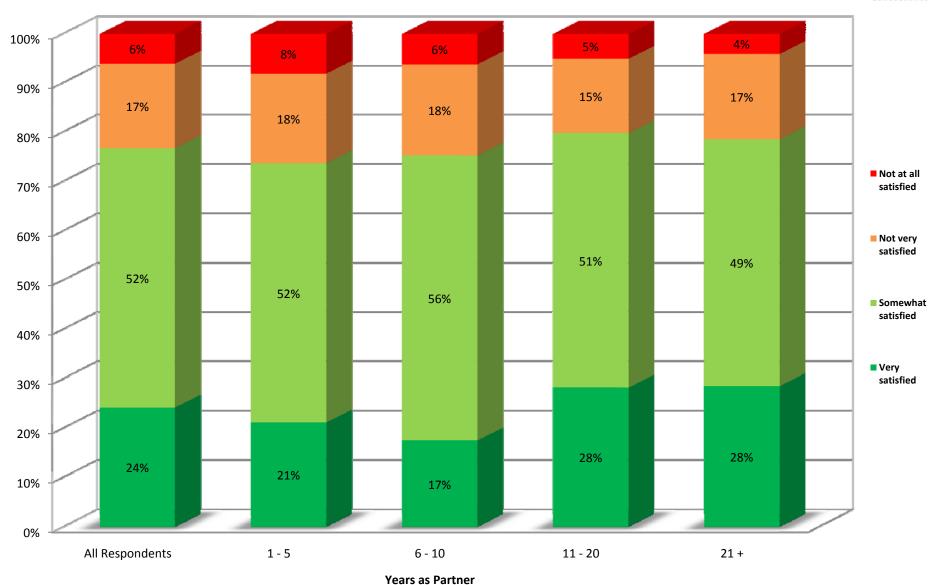
All Respondents





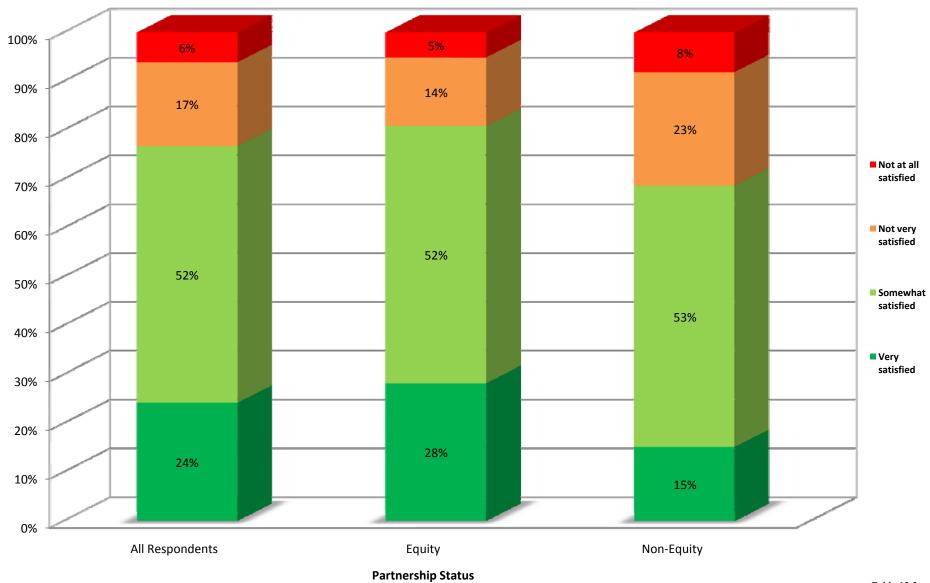
By Years as Partner





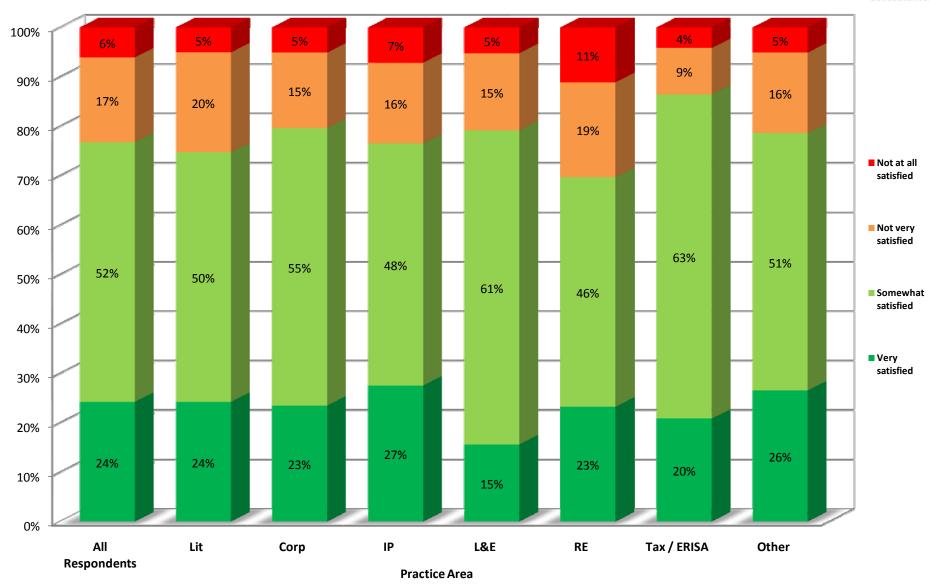
By Partnership Status





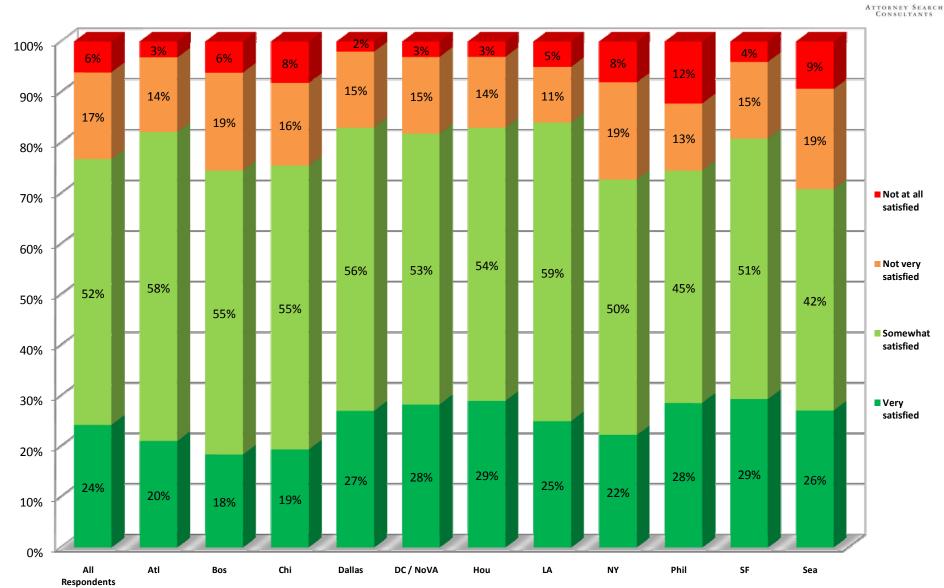
By Practice Area





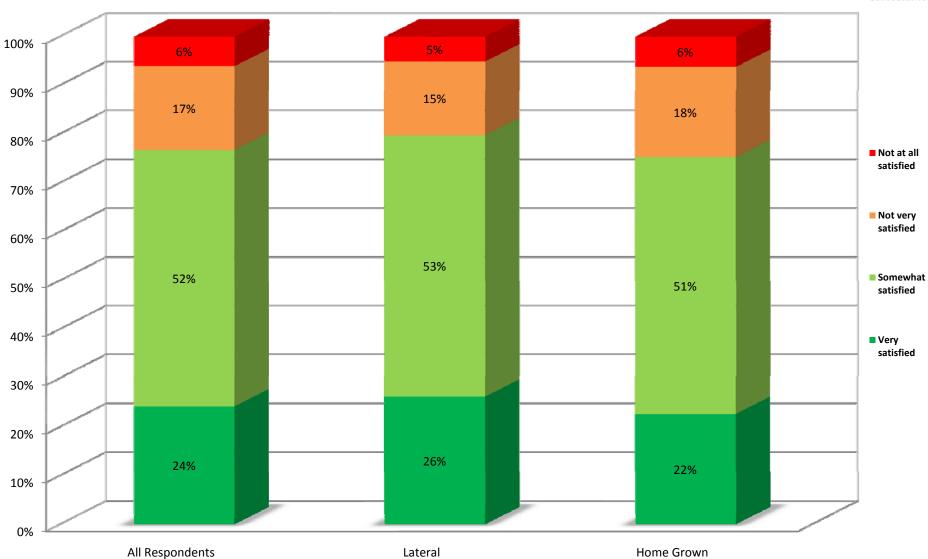
Compensation Satisfaction By City





Compensation Satisfaction By Lateral Status

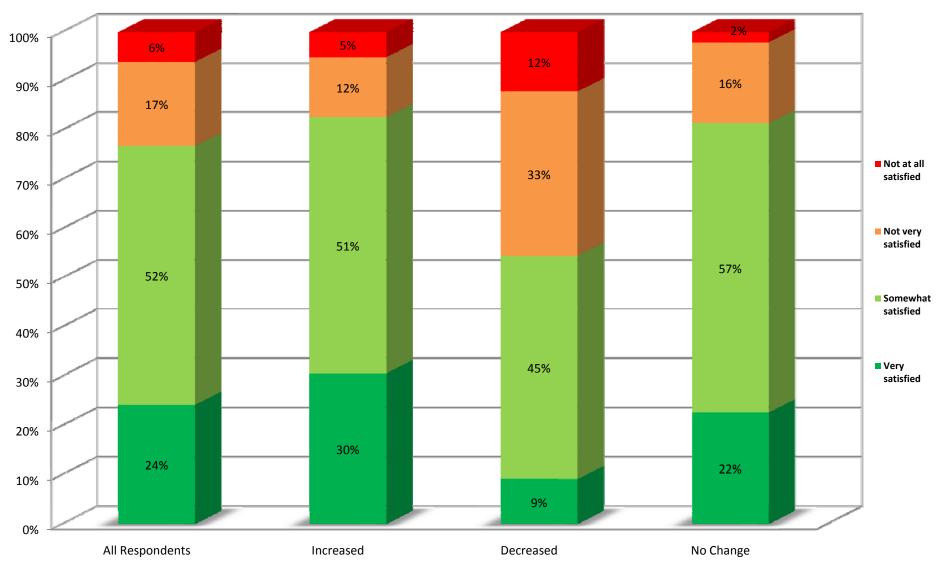




Lateral Status

By Move-Related Compensation Change



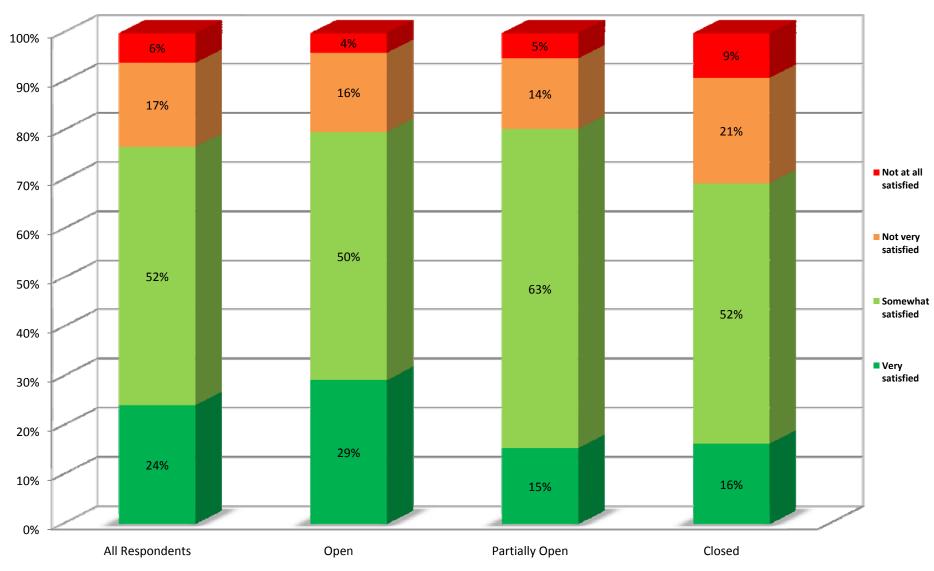


Move-Related Compensation Change

Table 10.7 Compensation Satisfaction

By Compensation Transparency



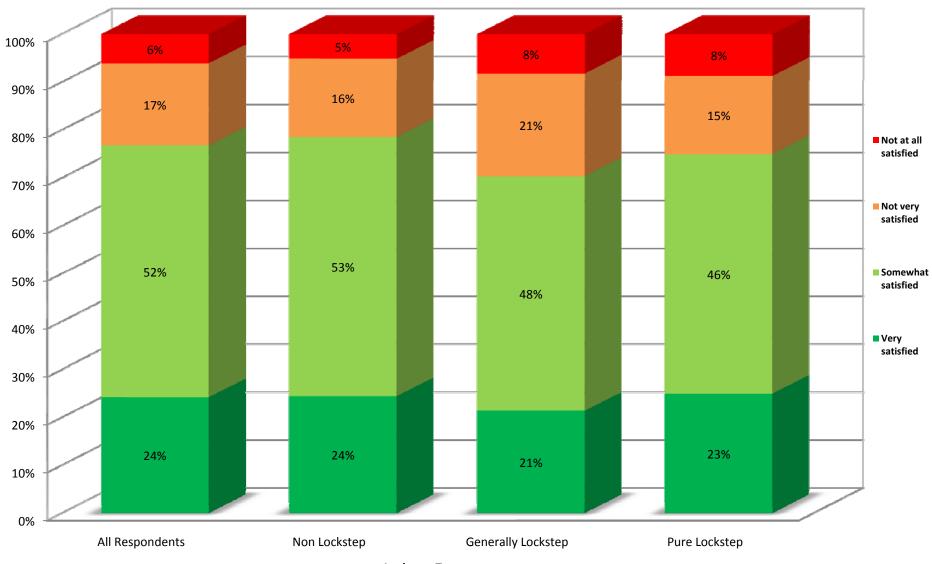


Compensation Transparency

Table 10.8 Compensation Satisfaction



By Lockstep Type

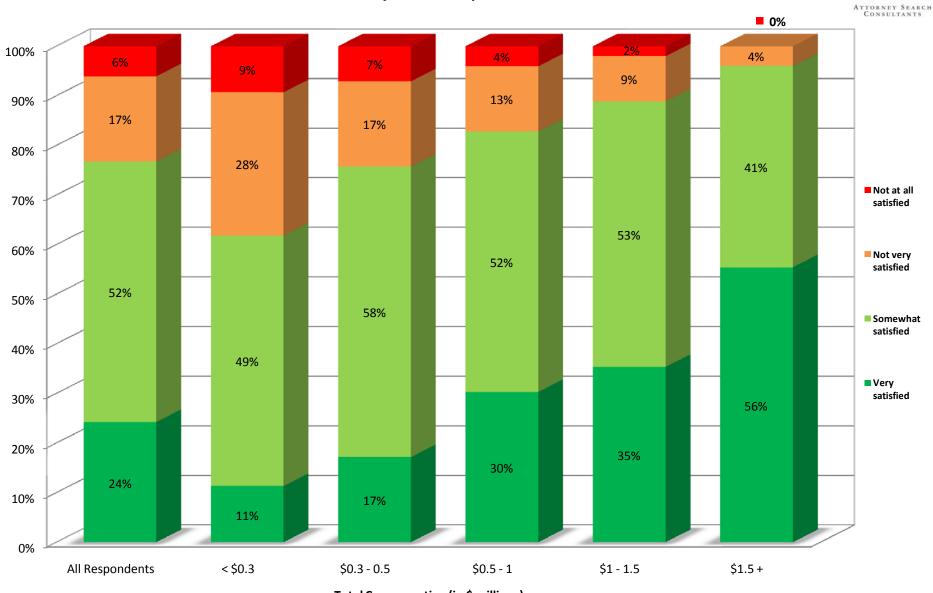


Lockstep Type

Table 10.9 Compensation Satisfaction



By Total Compensation

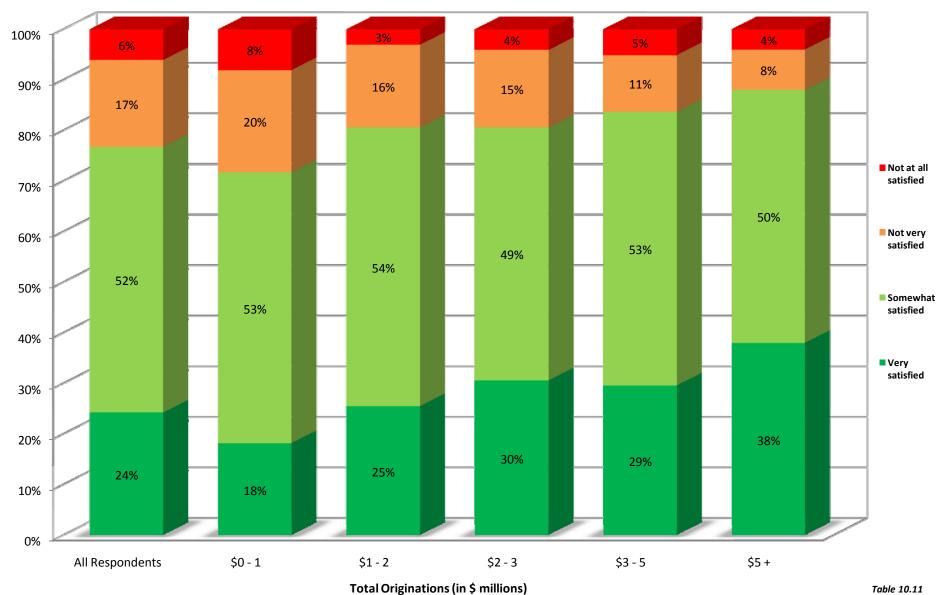


Total Compensation (in \$ millions)

Table 10.10 Compensation Satisfaction

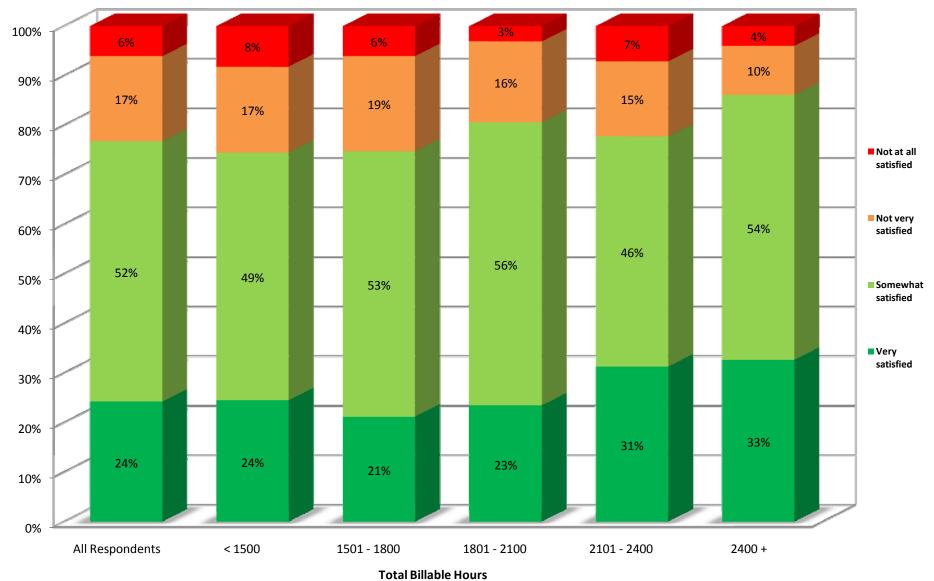
By Total Originations





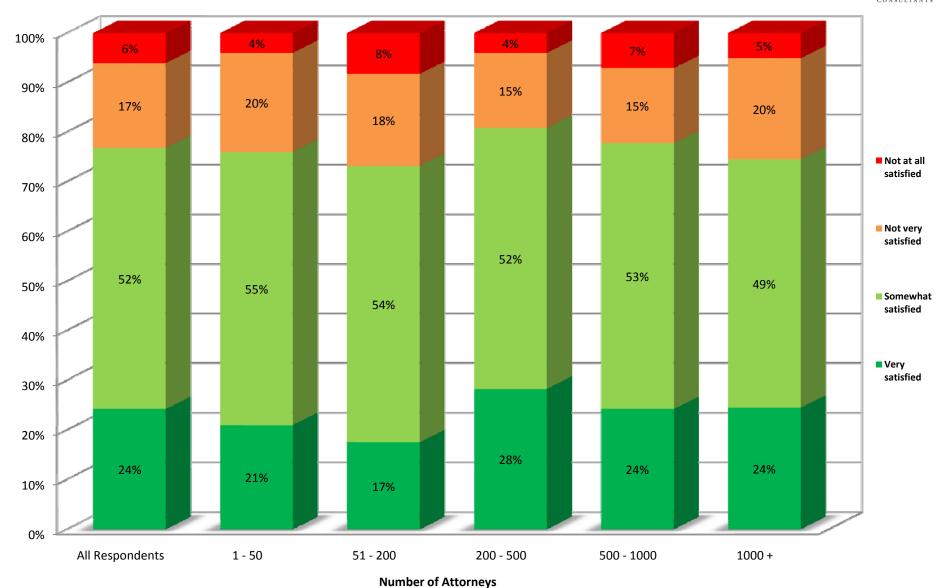
By Total Billable Hours





By Firm Size

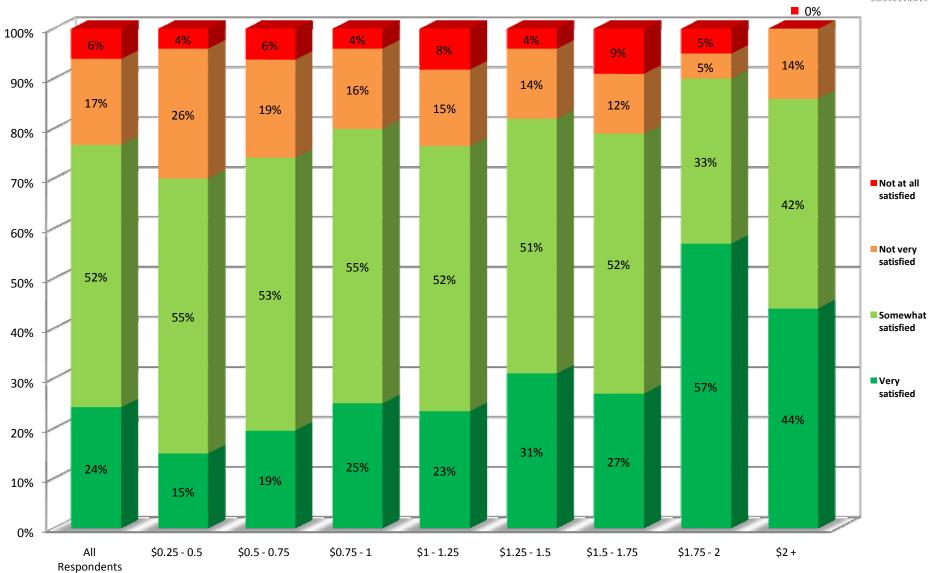




Compensation Satisfaction By Firm PPP





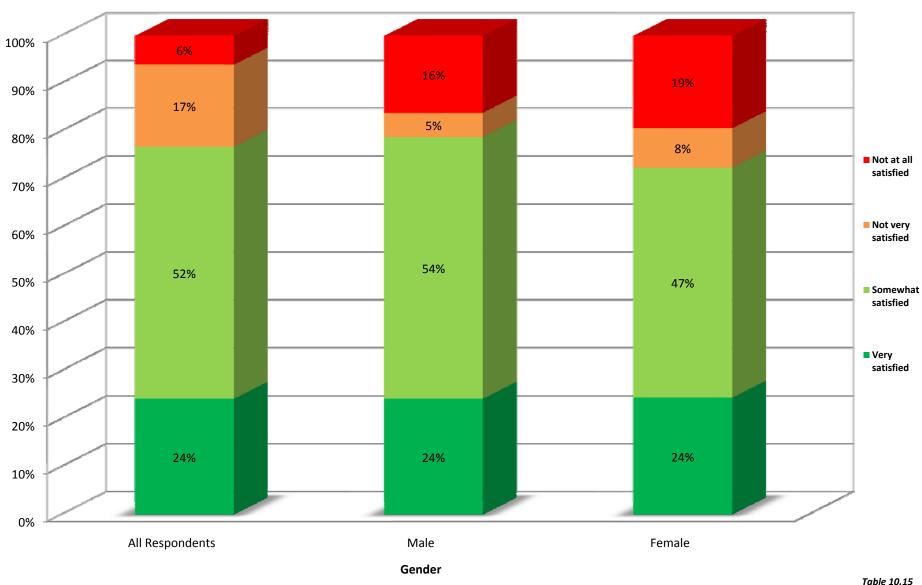


Firm Profits per Partner (in \$ millions)

Table 10.14 Compensation Satisfaction

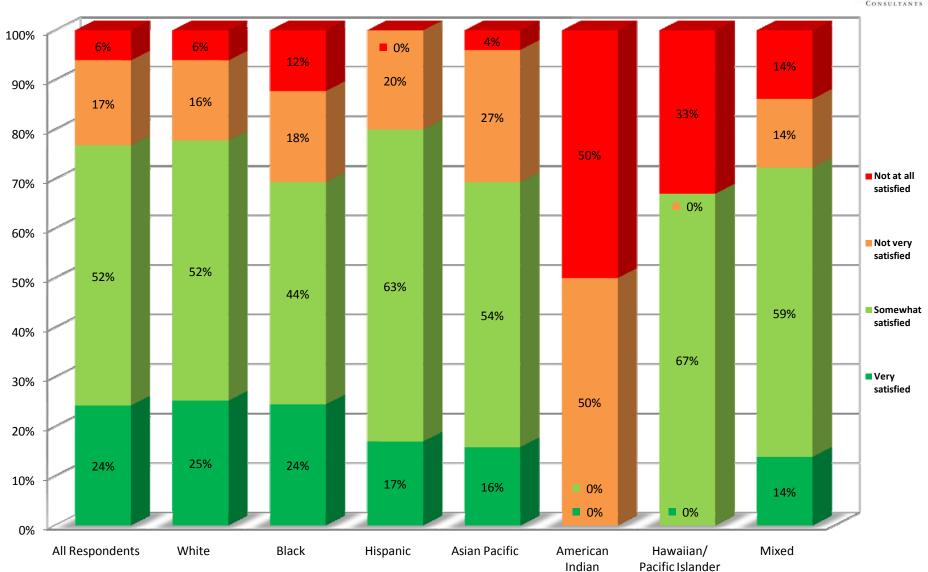
Compensation Satisfaction By Gender





Compensation Satisfaction By Ethnicity





Appendix 11 - If You Are Not Satisfied With Your Compensation, Do You Feel It Is Because of Any Bias?

All Respondents	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
All Responses	40%	7%	5%	3%	3%	2%	2%	1%	31%	26%
Q2) Yrs as Partner	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
1 - 5	40%	6%	5%	3%	3%	1%	1%	0%	30%	28%
6 - 10	35%	8%	6%	4%	1%	4%	5%	1%	27%	31%
11 - 20	48%	6%	6%	5%	2%	3%	1%	0%	36%	21%
21 +	38%	7%	3%	3%	4%	0%	1%	3%	31%	21%
Q3) Partnership Status	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Equity	43%	5%	5%	4%	2%	1%	1%	1%	32%	25%
Non-Equity	37%	9%	5%	3%	3%	3%	4%	1%	29%	27%
Q5) City	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Atlanta	40%	0%	0%	0%	0%	0%	0%	0%	60%	10%
Boston	29%	6%	6%	0%	0%	0%	0%	6%	18%	47%
Chicagp	49%	4%	2%	0%	0%	2%	2%	0%	31%	18%
Dallas	33%	0%	0%	0%	0%	0%	0%	0%	33%	33%
DC / NoVA	53%	12%	3%	6%	6%	6%	3%	0%	31%	19%
Houston	50%	10%	0%	10%	10%	0%	0%	0%	10%	40%
LA	29%	0%	7%	0%	0%	0%	7%	0%	21%	43%
NY	30%	9%	9%	1%	1%	1%	3%	1%	31%	29%
Phil	41%	9%	9%	9%	0%	5%	5%	5%	32%	23%
SF	45%	18%	9%	0%	18%	0%	9%	0%	36%	0%
Seattle	50%	6%	0%	0%	0%	0%	0%	0%	31%	19%
Q6) Lateral Status	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Lateral	38%	12%	5%	3%	3%	3%	1%	1%	32%	27%
Home Grown	42%	3%	5%	4%	3%	2%	3%	1%	30%	24%
Q10) Compensation Structure	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Open	45%	5%	5%	4%	4%	2%	3%	1%	30%	23%
Partially Open	42%	6%	0%	3%	3%	0%	0%	0%	33%	24%
Closed	29%	8%	6%	3%	0%	1%	1%	2%	33%	31%



Appendix 11 - If You Are Not Satisfied With Your Compensation, Do You Feel It Is Because of Any Bias?

All Respondents	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
All Responses	40%	7%	5%	3%	3%	2%	2%	1%	31%	26%
Q11) Total Compensation	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
< \$0.3	31%	5%	7%	4%	4%	1%	1%	1%	36%	27%
\$0.3 - 0.5	45%	8%	5%	4%	1%	5%	5%	0%	25%	28%
\$0.5 - 1	48%	8%	4%	4%	4%	0%	0%	1%	30%	23%
\$1 - 1.5	56%	6%	0%	0%	0%	0%	0%	6%	38%	6%
\$1.5 +	0%	0%	0%	0%	0%	0%	0%	0%	25%	75%
Q12) Total Originations	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
\$0 - 1	36%	5%	5%	3%	3%	2%	2%	0%	31%	29%
\$1 - 2	44%	12%	9%	8%	5%	5%	0%	0%	27%	24%
\$2 - 2	48%	10%	0%	3%	0%	0%	10%	3%	35%	13%
\$3 - 5	52%	4%	4%	0%	0%	0%	0%	4%	30%	17%
\$5 +	46%	0%	0%	0%	0%	0%	0%	0%	31%	31%
Q17) Lockstep Type	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Non Lockstep	43%	6%	4%	4%	3%	2%	2%	1%	30%	25%
Generally Lockstep	31%	9%	8%	0%	3%	2%	2%	2%	35%	26%
Pure Lockstep	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Q30) Firm Size	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Sa
1 - 50	16%	0%	3%	3%	3%	0%	0%	0%	42%	39%
51 - 200	43%	12%	11%	2%	0%	2%	0%	0%	30%	29%
200 - 500	32%	6%	3%	3%	0%	0%	3%	0%	35%	29%
500 - 1000	48%	8%	4%	6%	6%	3%	4%	3%	26%	18%
1000 +	44%	3%	4%	1%	1%	3%	0%	0%	31%	25%



Appendix 11 - If You Are Not Satisfied With Your Compensation, Do You Feel It Is Because of Any Bias?

All Respondents	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
All Responses	40%	7%	5%	3%	3%	2%	2%	1%	31%	26%

Q31) Firm PPP	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
\$0.25 - 0.5	34%	3%	3%	0%	0%	0%	3%	0%	31%	28%
\$0.5 - 0.75	49%	6%	3%	3%	1%	1%	1%	1%	34%	19%
\$0.75 - 1	46%	8%	6%	2%	6%	2%	2%	2%	27%	23%
\$1 - 1.25	53%	3%	6%	6%	6%	6%	6%	0%	28%	11%
\$1.25 - 1.5	47%	5%	0%	0%	0%	0%	5%	5%	21%	26%
\$1.5 - 1.75	29%	14%	0%	0%	0%	14%	0%	0%	57%	14%
\$1.75 - 2	50%	0%	0%	50%	0%	0%	0%	0%	0%	50%
\$2 +	33%	0%	0%	0%	0%	0%	0%	0%	17%	50%

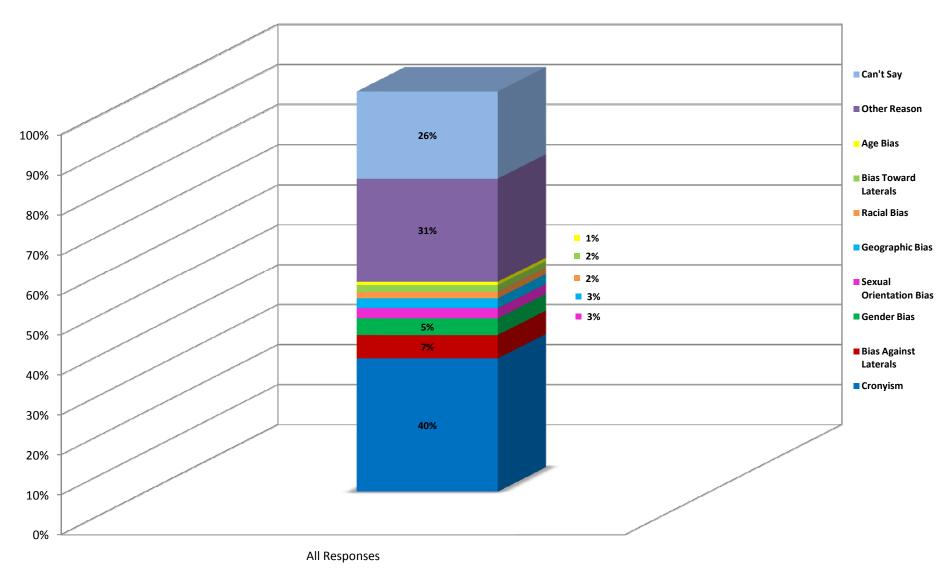
Q32) Gender	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
Male	40%	7%	0%	1%	2%	0%	2%	0%	33%	28%
Female	44%	7%	20%	12%	5%	7%	2%	2%	26%	17%

Q33) Ethnicity	Cronyism	Bias Against Laterals	Gender Bias	Sexual Orientation Bias	Geographic Bias	Racial Bias	Bias Toward Laterals	Age Bias	Other Reason	Can't Say
White	41%	7%	4%	3%	2%	0%	2%	1%	30%	25%
Black	40%	10%	20%	0%	10%	40%	0%	0%	10%	40%
Hispanic	33%	0%	0%	17%	0%	0%	0%	0%	50%	17%
Asian Pacific	40%	13%	7%	0%	0%	7%	0%	0%	33%	33%
American Indian	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hawaiian/ Pacific Islander	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mixed	50%	0%	17%	17%	17%	17%	0%	0%	50%	0%



Perceived Bias All Responses

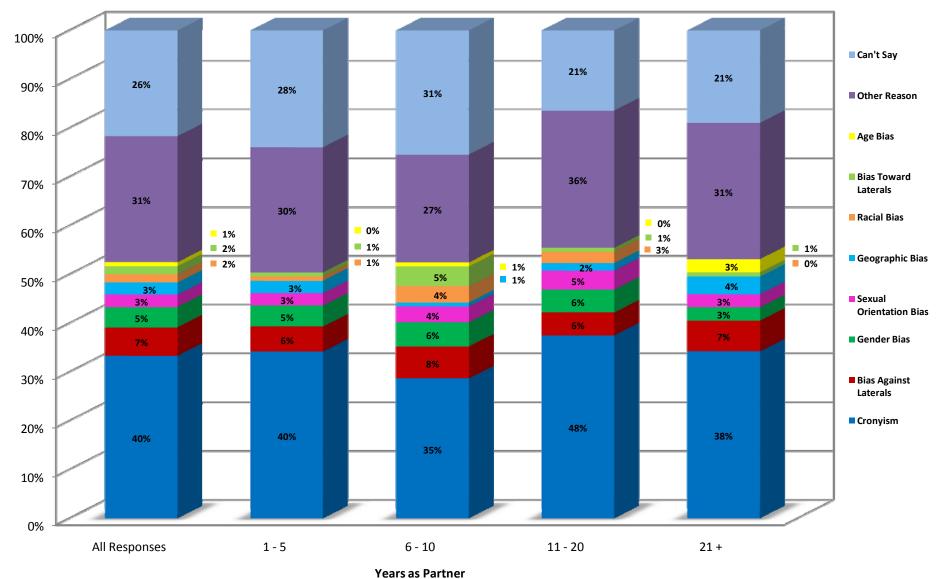




Compensation Bias

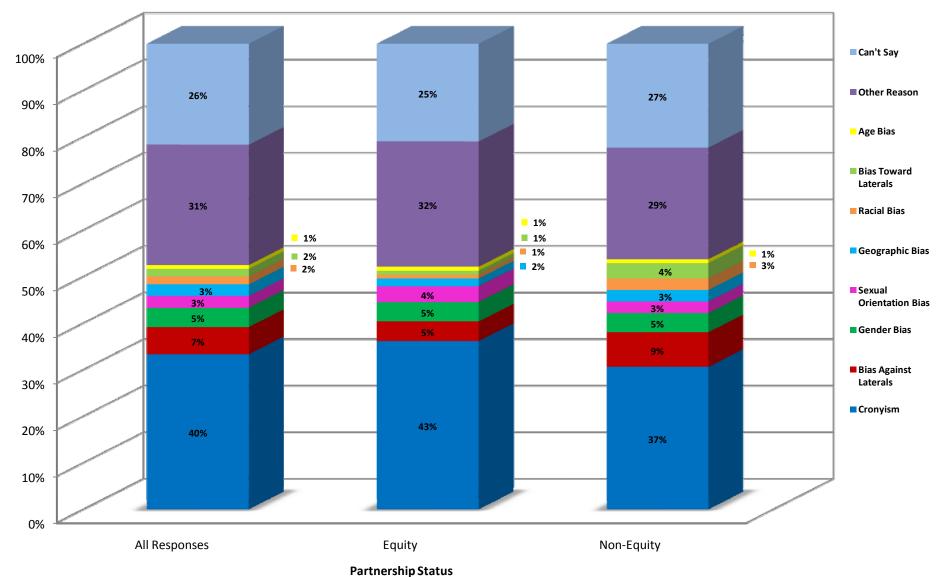
By Years as Partner





Perceived Bias By Partnership Status

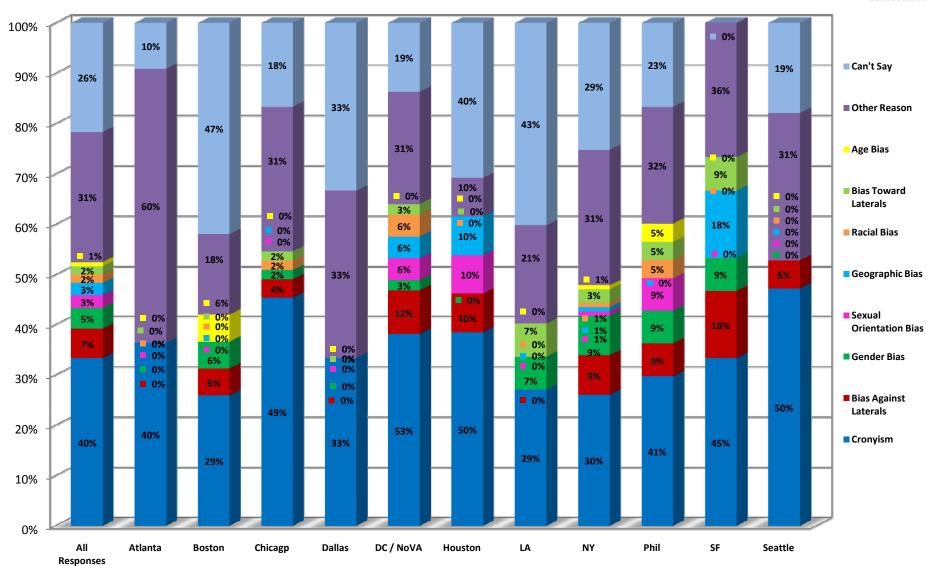




Perceived Bias

By City

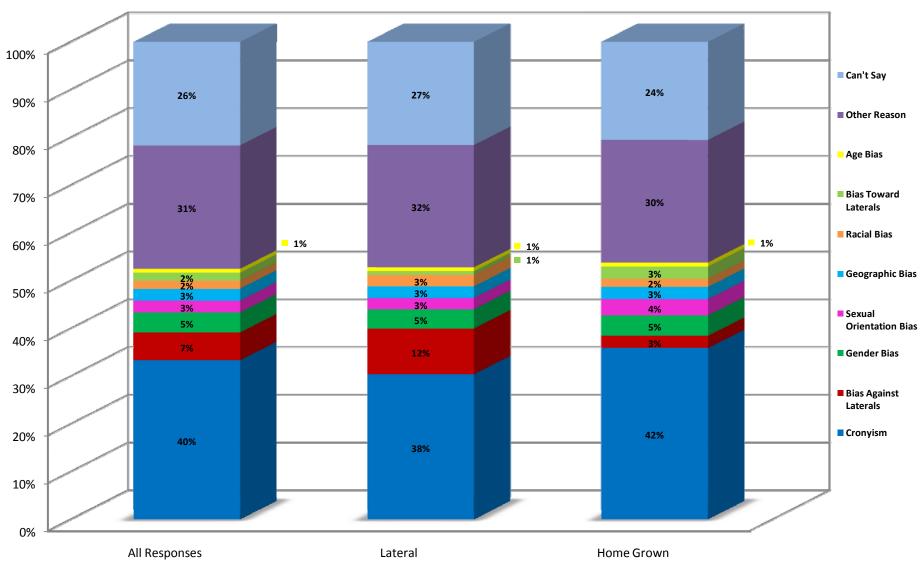




U.S. City

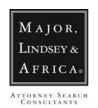
Perceived Bias By Lateral Status

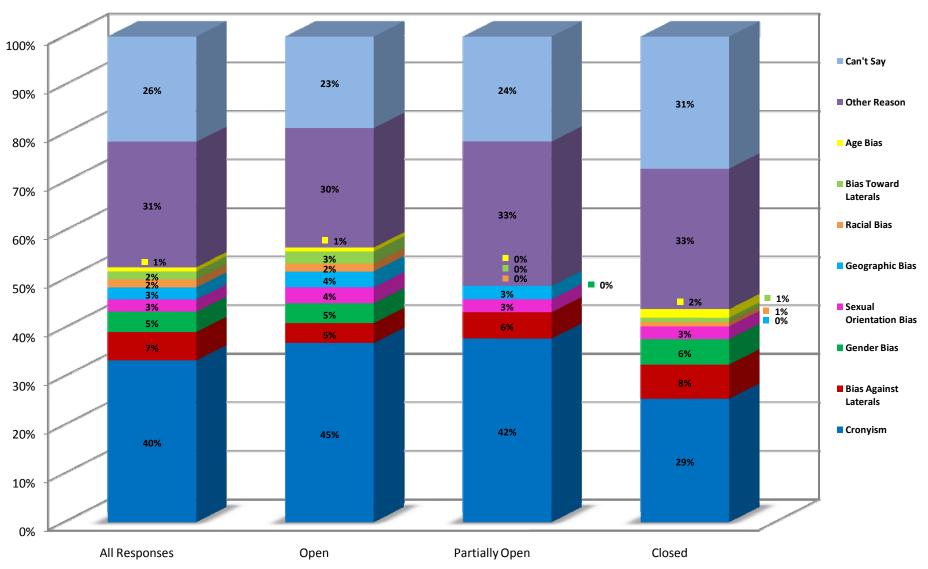




Lateral Status

Perceived Bias By Compensation Structure

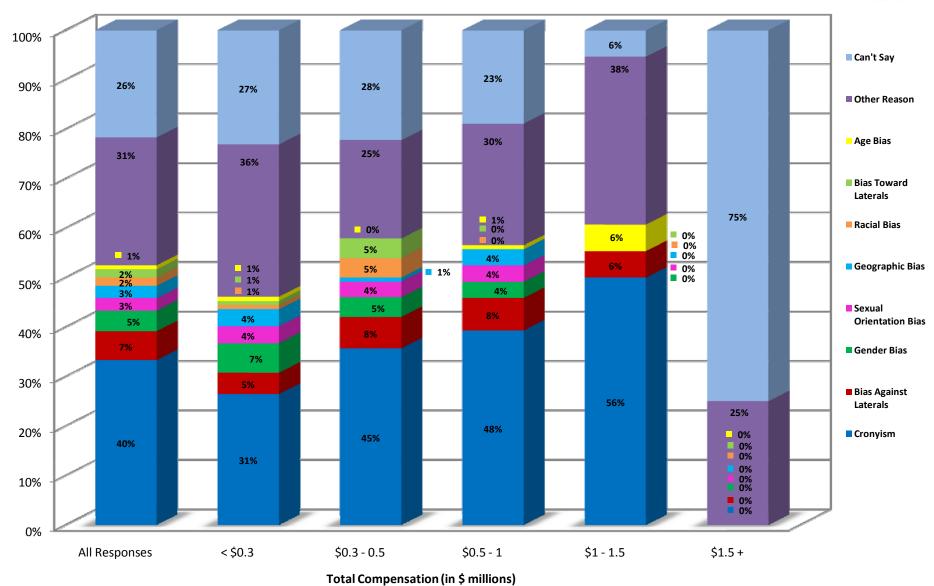




Compensation Structure

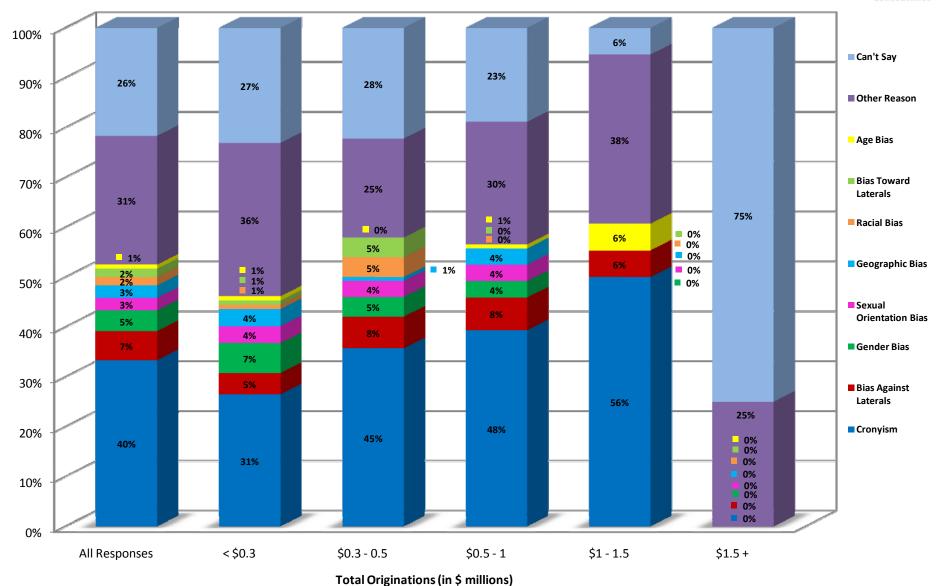
Perceived Bias By Total Compensation





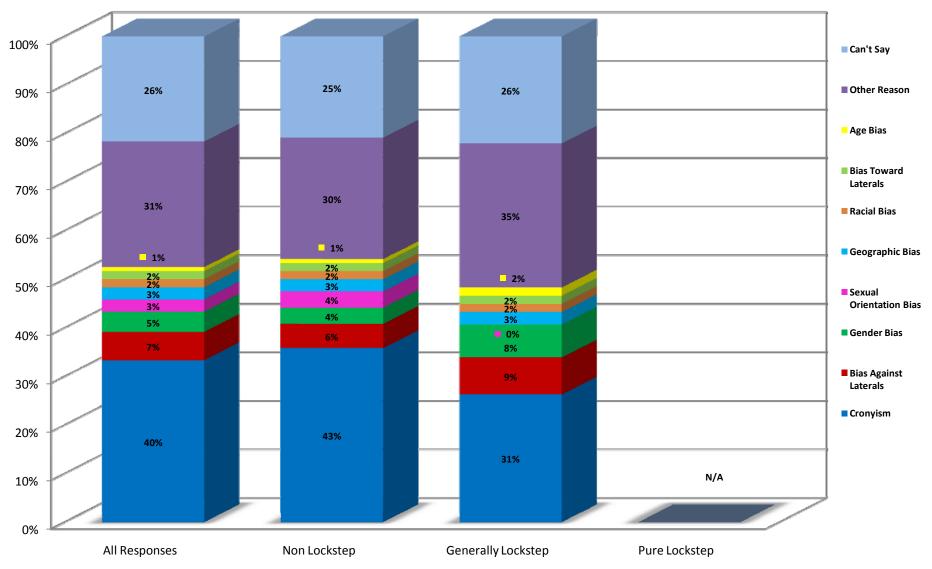
Perceived Bias By Total Originations





Perceived Bias By Lockstep Type

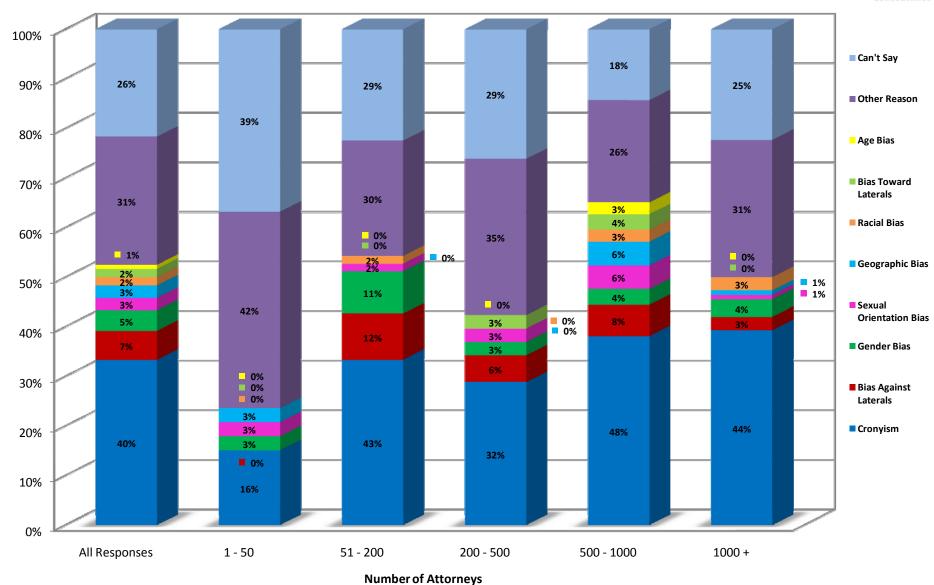




Lockstep Type

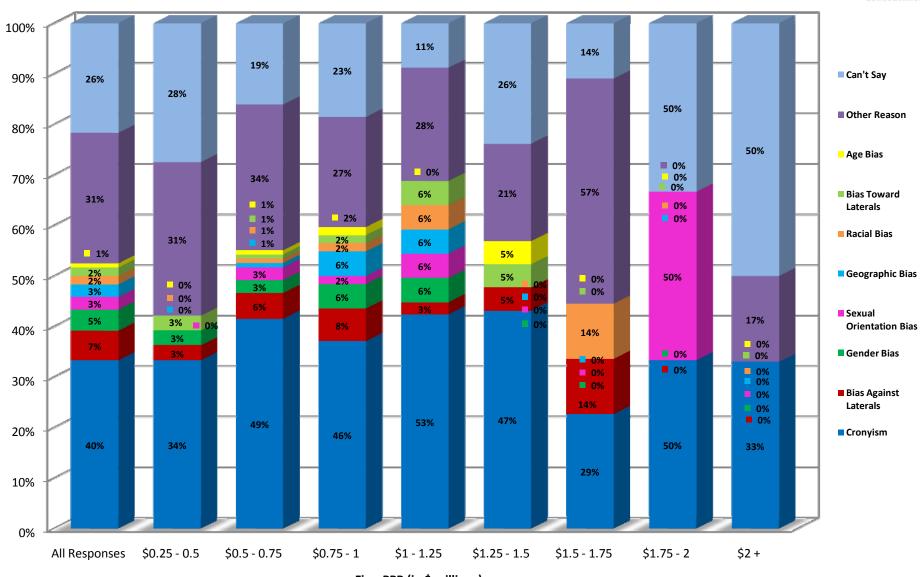
Perceived Bias By Firm Size





Perceived Bias By Firm PPP

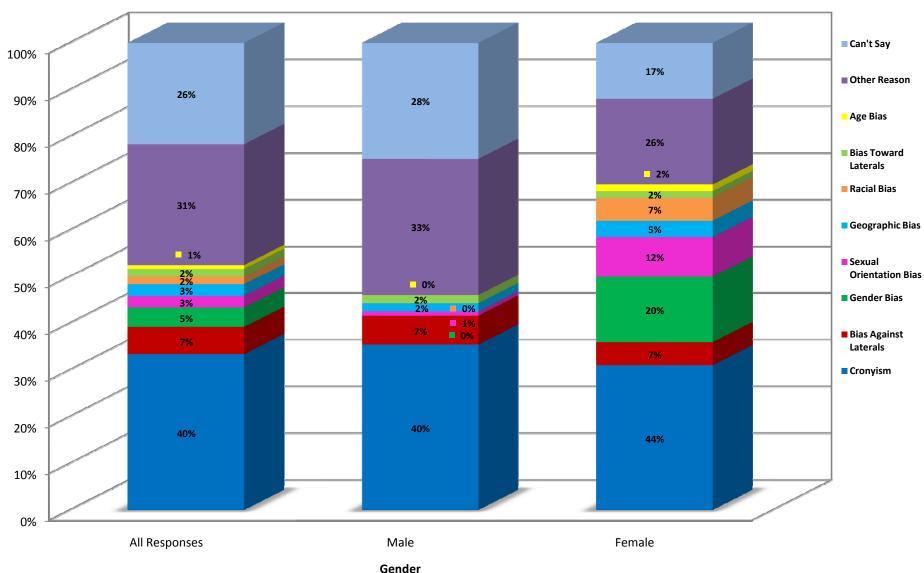




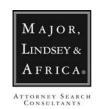
Firm PPP (in \$ millions)

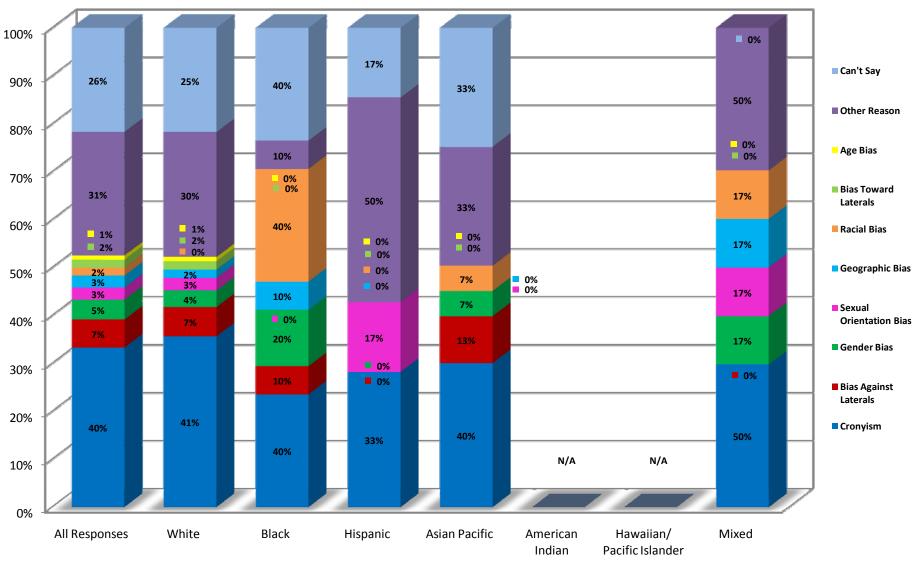
Perceived Bias By Gender





Perceived Bias By Ethnicity





Ethnicity

Appendix 12 - Should Compensation be Higher? (Q26, 27)

Q26) Do You Feel Your Total Compensation Should Be Higher Than It Is?

All Respondents	Yes	No	Total Responses = 1661
All Responses	61%	39%	

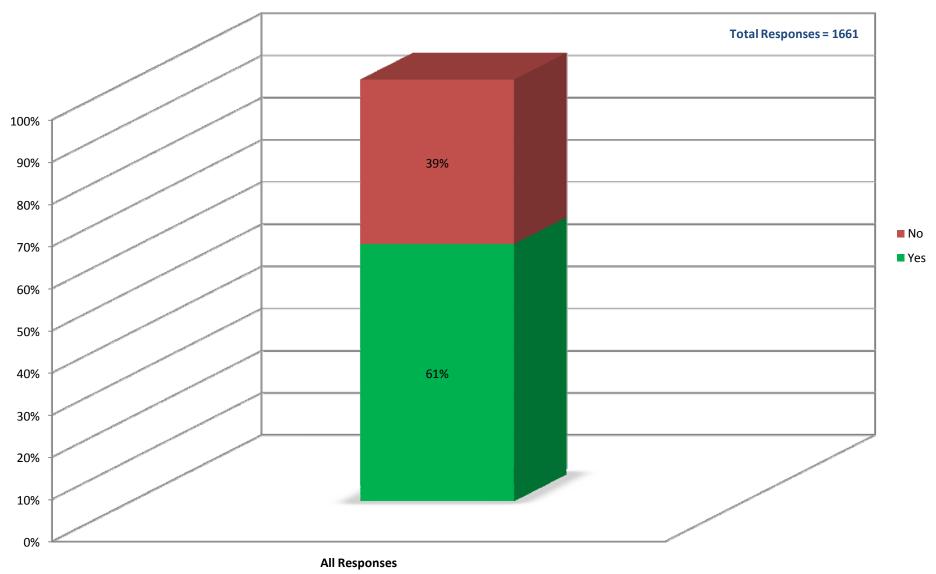
Q27) Roughly How Much Higher Do You Feel Your Compensation Should Be?

All Respondents	< 10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-100%	> 100%	Total responses = 981
All Responses	11%	46%	28%	6%	4%	2%	1%	0%	0%	1%	1%	



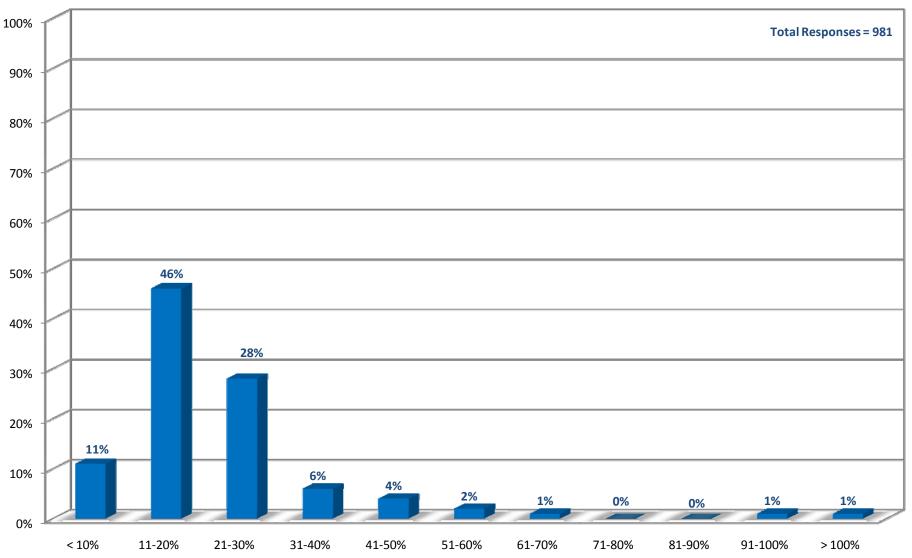


Do You Feel Your Total Compensation Should Be Higher Than It Is? All Responses





Roughly How Much Higher Do You feel Your Compensation Should Be? All Responses



Percentage of Compensation Increase Desired

Appendix 13 - Importance of Factors in Determining Compensation / Desire for Change

Q18) Importance of Factors in Determining Compensation

~/p												
	Originations	Working Attorney Receipts	Billable Hours	Realization Rate	Management Responsibilities	Seniority	Cross Selling	Good Citizenship	Non-Billable Hours			
Very Important	76%	58%	57%	32%	13%	7%	12%	10%	1%			
Somewhat Important	21%	34%	36%	53%	59%	38%	45%	46%	27%			
Not Very Important	3%	7%	5%	13%	24%	40%	32%	32%	50%			
Not Important At All	1%	1%	1%	2%	4%	15%	10%	12%	22%			

Total Responses = approx 1615

Q19) Perceived Factors vs. Q20) Should Be Factors That Are Most Important in Determining Compensation

	Originations	Working Attorney Receipts	Billable Hours	Realization Rate	Management Responsibilities	Seniority	Cross Selling	Good Citizenship	Non-Billable Hours
Perceived Most Important	64%	21%	9%	1%	1%	1%	1%	1%	0%
Should Be Most Important	58%	26%	3%	3%	1%	1%	4%	3%	0%

Total Responses = 1629

Total Responses = 1592

Q21) Has There Been A Change In Importance In Factors?

	All Responses	
Yes	41%	
Yes Not Certain	18%	
No	41%	

Total Responses = 1659

Q22) Factors You Feel Have Become More Important v. Q23) Less Important in Determining Compensation

Becoming More Important 24% 14% 21% 7% 14% 42% 15% 25% 32% Becoming Less Important 9% 21% 31% 52% 7% 32% 8% 11% 7%			Originations	Working Attorney Receipts	Billable Hours	Realization Rate	Management Responsibilities	Seniority	Cross Selling	Good Citizenship	Non-Billable Hours
Becoming Less Important 9% 21% 31% 52% 7% 32% 8% 11% 7%	Bed	coming More Important	24%	14%	21%	7%	14%	42%	15%	25%	32%
	Be	coming Less Important	9%	21%	31%	52%	7%	32%	8%	11%	7%

Total Responses = 675 Total Responses = 682

Appendix 13: Importance of Factors in Determining Compensation / Desire for Change

Q28) Desire For Compensation Change

	Yes	Can't Say	No	Total responses 1659
All Responses	63%	21%	21%	

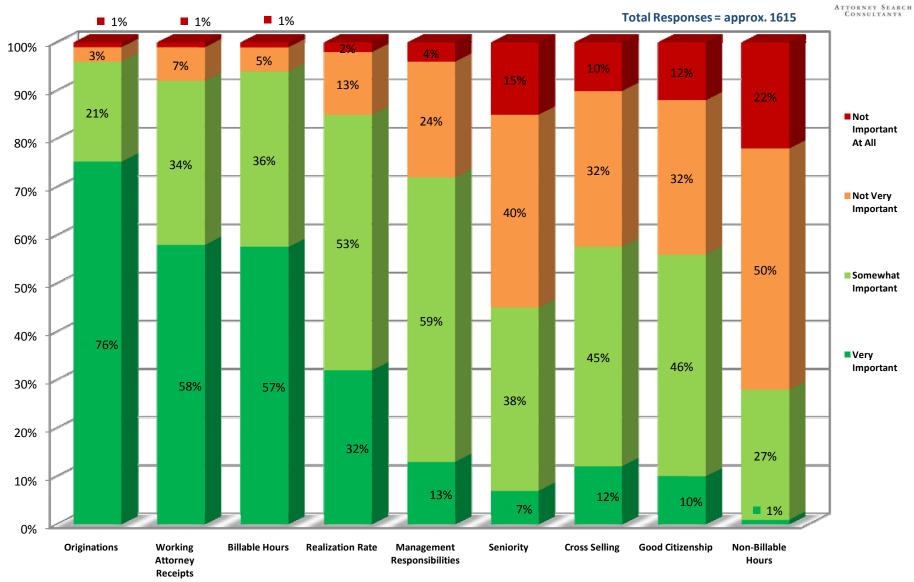


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Importance of Factors in Determining Compensation

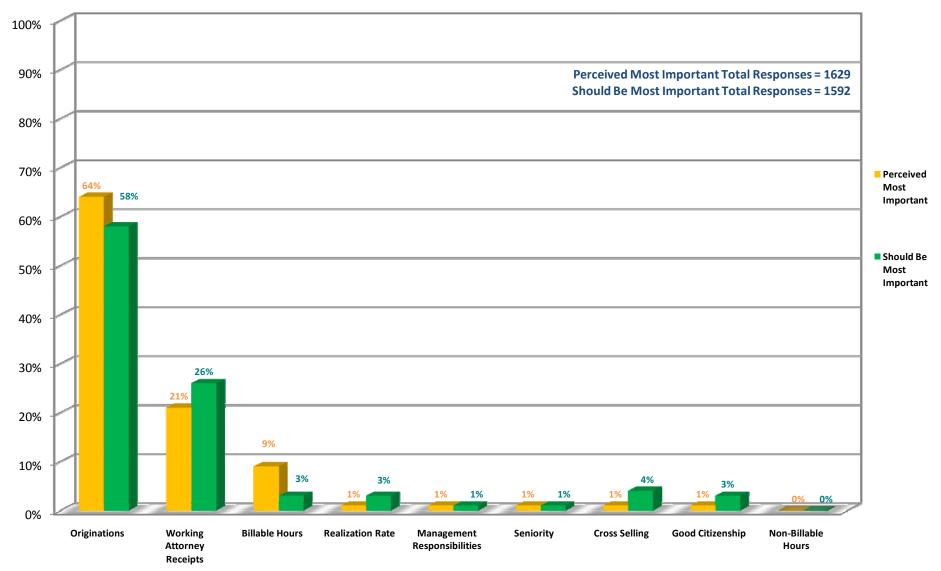




Factors Affecting Compensation

Importance of Factors in Determining Compensation Perceived Most Important vs. Should Be Most Important Factors

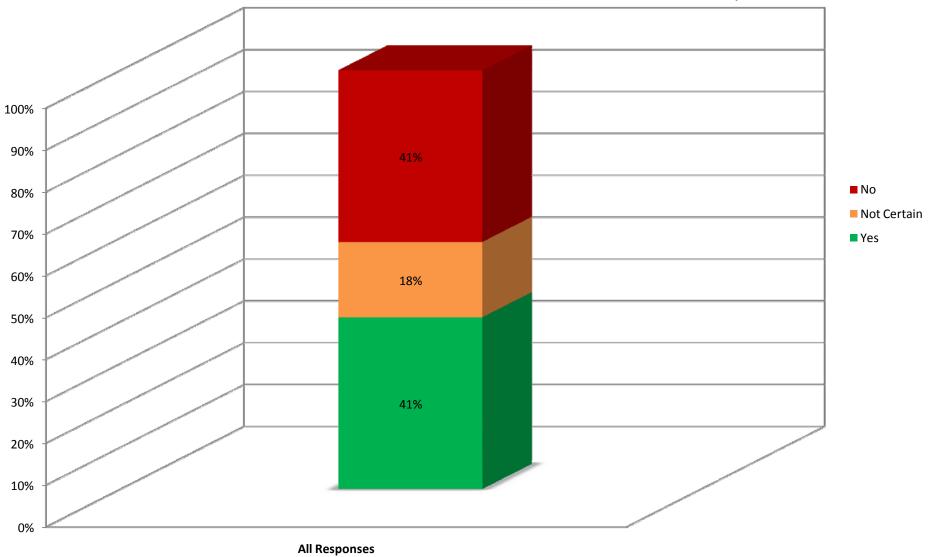




Has There Been A Change In Importance In Factors? All Responses



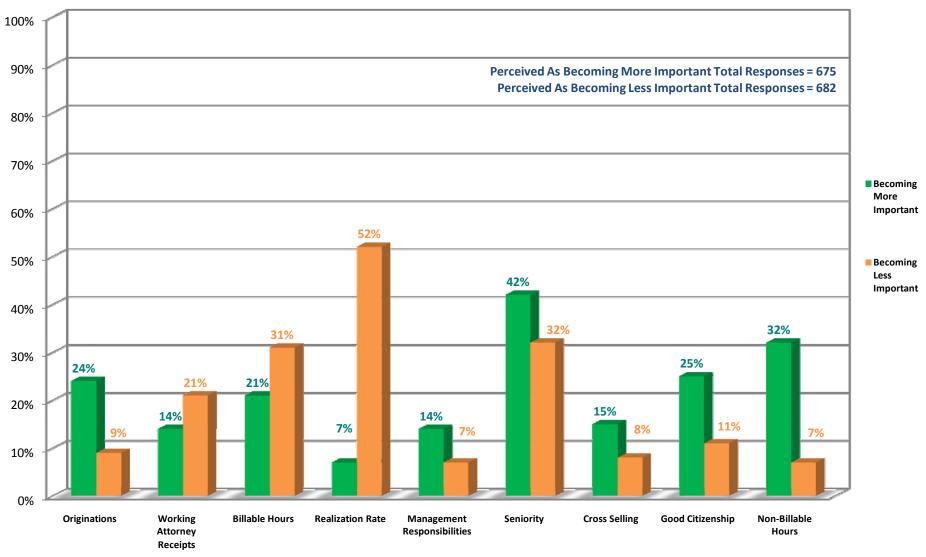




Importance of Factors in Determining Compensation



Perceived As Becoming More vs. Less Important



Factors in Determining Compensation

Desire For Change in Compensation Method All Responses



Total Responses = 1659

