

Does Your Background Pay Off? How Law School, Firm Experience, and Specialization Impact In-house Compensation

**Law Department Management** 

**Skills and Professional Development** 



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When it comes to in-house compensation, background matters. But it's only part of the story.

ACC's <u>2025 Law Department Compensation Survey</u>, conducted with Empsight International, draws on responses from more than 1,600 legal professionals to provide one of the most reliable benchmarks in the market. The data captures not only salaries and bonuses across 29 job titles, but also the structural factors shaping compensation in corporate legal departments.

One of the most striking findings: Company size drives significant compensation differences. CLOs at companies with revenues above US\$5 billion earn a median base salary 44 percent higher and a staggering 173 percent more in total target compensation than CLOs at organizations under US\$1 billion. And the pay gap isn't confined to the C-suite — across nearly every role, lawyers in larger companies see higher base salaries, greater eligibility for long-term incentives, and more robust benefits packages.

**Download the Executive Summary today!** 

Other high-level insights should also be on in-house counsel's radar:

- **Promotions and raises:** Seventeen percent of respondents received a promotion last year, with some seeing base salary increases above 20 percent. By contrast, average merit increases hovered around 3-4 percent.
- Remote work and career trajectory: While hybrid and in-office employees reported similar promotion rates, fully remote professionals lagged slightly behind.
- **Stress and retention:** More than one in five respondents (22 percent) reported high stress levels impacting performance or prompting thoughts of leaving the profession an important consideration for legal leaders <u>balancing workload and retention</u>.

For those benchmarking compensation and structuring incentives, these findings confirm that revenue, advancement opportunities, and work arrangements all shape pay and career trajectories. Against this backdrop, it's worth asking: How much does an individual lawyer's background — education, early career choices, or specialty — influence compensation?

Here's what the numbers reveal, and what they mean for in-house counsel at every stage of their careers.

# Law school prestige still carries weight

- At the Attorney level, those from top 20 law schools earn a median base salary up to 39
  percent higher and total compensation up to 36 percent higher than peers from other
  institutions.
- The advantage is most pronounced early in a career. For CLOs, the gap narrows but still averages 19 percent higher base salary and 23 percent higher total compensation.

**Takeaway:** A prestigious degree can provide a launchpad into higher-paying roles, but its influence diminishes as seniority increases. Over time, performance, leadership, and specialization likely become stronger drivers of compensation.

## Prior law firm experience pays off

- Three-quarters of respondents (77 percent) had law firm experience before moving in-house.
- For Attorney-level respondents, prior law firm experience translates to a 16 percent higher median base salary and 18 percent higher total compensation.
- CLOs with law firm backgrounds earn 21 percent more in base salary and 13 percent more in total compensation than peers without this experience.

**Takeaway:** Law firm training still commands a premium, particularly at entry and senior levels. For those who transitioned directly in-house (16 percent of respondents), building deep subject-matter expertise or leadership skills may help close the gap.

### Specialty matters, especially in high-stakes areas

Compensation varies sharply across practice areas:

 Securities, antitrust, and bankruptcy/creditor law rank among the highest-compensated specialties.

- Attorneys in these areas command top pay due to the regulatory, financial, and reputational risks their work mitigates.
- By contrast, fields like corporate contracts, IT, and entertainment tend to sit at the lower end of the pay spectrum.

**Takeaway:** Specialized expertise in high-stakes fields is rewarded. For aspiring general counsel, developing breadth remains important, but deep knowledge in a complex regulatory or financial area can be a differentiator along the way.

### The bigger picture

The data underscores a consistent theme: Compensation is shaped not only by role and seniority, but by the path taken to get there. Law school pedigree, firm experience, and legal specialty all play a role in determining earning potential.

For in-house professionals, this means:

- Early-career lawyers should consider ACC's <u>Resource Library</u> and <u>Career Corner</u> for guidance to get ahead early in-house.
- Mid-career attorneys can boost marketability by deepening expertise in specialized, highvalue areas.
- Senior leaders should be aware of how these factors affect compensation expectations in recruitment and retention.

#### **Final word**

Background isn't destiny, but it matters. Whether you're planning your next career move or benchmarking your team's compensation, understanding how these variables influence pay can help you negotiate with confidence and lead with clarity.

For a deeper dive into compensation by title, industry, and organization size, download the full **2025 ACC Law Department Compensation Survey Executive Summary**.

Join ACC for more research and insights!

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#### Blake E. Garcia, PhD



Senior Director of Research and Business Intelligence

Association of Corporate Counsel

Dr. Blake Garcia is the Senior Director of Research and Business Intelligence at the Association of Corporate Counsel (ACC), where he spearheads the growth and management of ACC's research department. Over the past 10 years, Dr. Garcia has transformed ACC's research capabilities from a limited member surveying unit into a multifaceted, full-service data hub that empowers the in-house legal community. He has led numerous high-impact international surveys and developed data-driven resources, products, and services that equip in-house counsel and legal operations professionals with the insights they need to make strategic business decisions.

Dr. Garcia has published several peer-reviewed articles in scientific journals applying statistical and experimental methodologies and has taught several college courses on quantitative research in the social sciences. He has a Ph.D. in political science from Texas A&M University and a B.A. in international politics from The Pennsylvania State University.					
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Connect on LinkedIn					
Mauro Whiteman					



Senior Manager, Editorial & Digital Content

Association of Corporate Counsel

Mauro Whiteman is the Senior Manager of Editorial and Digital Content at the Association of Corporate Counsel, overseeing articles for the *ACC Docket*. Prior to joining ACC, he oversaw editorial content at SHRM, the Society for Human Resource Management.

Mauro began his journalism career at Atlantic Media's political magazine, National Journal, and covered two presidential election cycles at The Hill newspaper, where he helped launch Hill.TV. His

background is in international relations, and business.	comparative	religion, and the	e intersection of	politics, culture,