

2017



# VaHURa INSIGHTS

May, 2017

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Following the success of Legal Talent Watch, and your valuable feedback, we have rebranded this publication to Vahura Insights. We will continue to present analysis on in-house talent moves, and will also now cover trends across the law firm, and corporate governance domains. If you would like us to cover particular issues or have any feedback, please write to me - [ritvik@vahura.com](mailto:ritvik@vahura.com)

**RITVIK LUKOSE**  
CEO and Co-founder

# Talent Tracker: Analysis of Moves in the In-house Talent Landscape

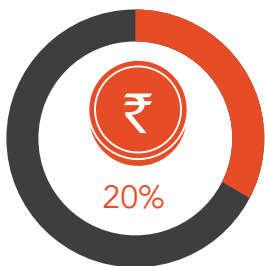
## METHODOLOGY

The data for this section has been collected by tracking Vahura's mandate closures as well as by using secondary sources such as information shared on social media platforms, news and relevant media publications. The sample group of this report's study focusses on 218 lateral moves made in the Indian Corporate legal industry, between the months of April 2016 and April 2017. A record of their details, such as their years of professional experience, compensation, industry domains and so on, are kept in order to aid in our analysis.

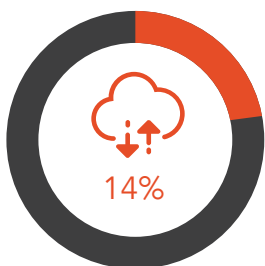
After collating and analysing the information collected, we present a few of our key observations for the last financial year (i.e April 2016-April 2017).

## SECTOR ANALYSIS

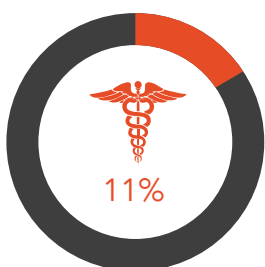
Top 3 Sectors  
Hiring Legal Professionals:



Financial Services



Technology



Pharmaceutical

The top three sectors hiring legal professionals were Financial Services (20%), Technology (14%) and Pharmaceuticals (11%). This contributed to 45% of the total legal talent share. Within the **Financial services sector** it was mainly the NBFCs, which also include fund sponsored NBFCs, that attracted the maximum number of legal professionals this past financial year. We also noticed multiple movements in and out of the banking sector, resulting from internal restructuring. The **Technology sector**, which comprises hardware, IT and ITES segments, witnessed a 65% increase in the hiring for their legal teams, particularly in the case of multi national companies. Indian IT/ITES companies only saw a nominal rate of legal hiring, the reason for this could be that most Indian technology companies already have strong, diversified legal teams. The **Pharmaceutical industry** has been in the top three employers of legal talent since 2015. India's pharmaceutical sector has seen active deal making with 51 deals in 2016 alone<sup>1</sup>, at an aggregate disclosed deal value of \$4.6 billion. Indian Pharmaceutical companies have relatively large legal teams, and have also built specialised teams (eg., M&A) to undertake a majority of the work in-house. Pharmaceutical MNCs in comparison have strong global and APAC teams, with fairly lean Indian legal teams.

### *Highest Premium - Pharma sector*

Pharmaceutical companies seemed to have hired individuals at a premium compared to other sectors last financial year. Legal professionals who moved from one Pharmaceutical company to another received an average salary increment of 42%. The high increment in compensation is justified by clients who are willing to pay a premium for a professional from the same sector and in possession of a specialised skill set.

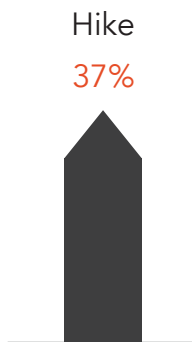
<sup>1</sup><http://bwdisrupt.businessworld.in/article/Pharma-M-A-Deals-Touch-4-6-Billion-In-2016/30-03-2017-115432/>

## Law Firms - Rising Talent pool for In-House

In the last financial year, law firms were the biggest suppliers of talent for In-house legal teams. Around 23% of the total lawyers who moved in-house were from private practice. The two main sectors that attracted law firm talent were the Financial services and Energy sectors. The most number of lateral movements occurred in the Principal Associate to pre-partnership band, where typically professionals have about 9 years of experience. We noticed a majority of the legal hires were in the Delhi NCR Region, followed by the cities of Mumbai and Hyderabad. This data has been cross-verified by our social media partner LinkedIn.



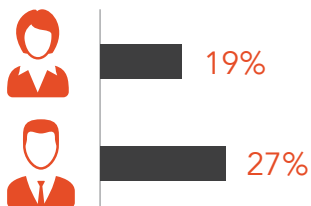
## COMPENSATION ANALYSIS



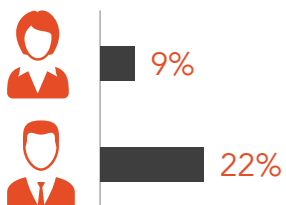
The average increment received by legal professionals switching jobs was 37% as opposed to the annual increment that most companies gave out in the range of 10 to 15%. This points to greater maturity in companies that now better appreciate the value of in-house counsel. The maximum movement was seen amongst professionals within the experience band of 4 to 10 years, which accounted for 53% of the total movements in the legal industry. Vahura noticed clients preferring to hire professionals with at least 8 years of prior qualified experience with the understanding that these professionals can undertake transactional and manage commercial matters independently. We have also seen early stage start-ups, VC backed companies preferring to hire Legal heads and even sole legal counsels with experience ranging between 8 to 12 years and giving them the space to grow the function.

## GENDER ANALYSIS

### 10-15 Years of Experience



### 15-20 + Years of Experience



Amongst the legal professionals switching jobs between 10 - 15 years, 27% were male and 19% were female. At a more senior level, 15 - 20 + years of experience we noticed 22% were male and only 9% were female. Our analysis shows gender parity on compensation increment percentages received by male and female professionals amongst the in-house counsels. Although this is a positive sign pointing to gender parity in the in-house legal domain, most of the lateral movements, particularly at the senior level, predominantly involve male professionals. At the General Counsel level we find fewer women lawyers. Our analysis of data drawn from the Forbes Top 50 organizations in India, shows that 35 of these companies have a designated Head Legal or General Counsel, out of which only 9% are women.<sup>2</sup>

*By: Anuja Bose and Balanand Menon, from the research and consulting team at Vahura. For more data on industry trends and benchmarking, write to [balanand@vahura.com](mailto:balanand@vahura.com)*

<sup>2</sup><http://www.forbesindia.com/lists/super-50-companies-2016/1551/1>

# Top 10 Impactful Moves

The table captures the Top 10 high impact In-house legal professional moves between April 2016- April 2017.

	Name	From	To	New Designation
1	Anurag Sharma	Abbott	Ola	General Counsel
2	A.S Kumar	Private Practice	Cipla	Global General Counsel
3	Damini Marwah	IL&FS	Axis Bank	General Counsel
4	Hemant Kumar	Essar Group	L&T Group	Group General Counsel
5	Ipsitta Dutta	Cyril Amarchand Mangaldas	Morgan Stanley	Executive Director
6	Mukesh Bhavnani	Vedanta Resources Plc	Bharti Enterprises	Group General Counsel
7	Murali Neelakantan	Private Practice	Glenmark Pharmaceuticals Ltd	Global General Counsel
8	Nilanjan Sinha	Marsh & McLennan Companies	Godrej & Boyce	Head of Corporate Advisory
9	Priyaranjan Sekhon	Cairn	Shell	Head Legal
10	Rajiv Choubey	Vedanta Limited	HCL Infosystems	General Counsel

# Feature: General Counsels in the Boardroom

A constantly changing economic and political landscape calls for company board members with a specific set of characteristics. These characteristics must include skills and professional experience that the board carries as a whole, and cannot be attributable to an individual. An equitable mix of proficiencies is what constitutes a fundamentally sound and well-rounded Board.

The definition of diversity does not limit itself to the reconsiderations of gender and ethnic barriers, but also necessarily extends to the diversity of thought. Applying this need for multiple perspectives, in-house lawyers are increasingly contributing to the strategic discussions of the company while also becoming trusted advisors to the CEO, Board and the Chairman of the organisation. In recent times, General Counsel (GC) have a seat saved at the senior table to participate in deliberations, both legal and non-legal.



**Sree Patel**

*Executive Director, Legal & Government Affairs, Mondelez and also an Independent Director, Greaves Cotton Ltd*

A GC's competency lies in objectively analysing any issue keeping in view the legal, strategic and ethical considerations of the situation. This multi-perspective approach helps them bring an additional insight to strategic decision making at the Board level. *As Sree Patel, Executive Director, Legal & Government Affairs, Mondelez and also an Independent Director, Greaves Cotton Ltd says "Like any other senior professional on a Board, a GC brings strategic thinking, analytical ability, wide perspectives and an ability to challenge the status quo. The GC must wear a business partnering hat, in addition to the one on governance and risk."* This understanding is increasingly becoming popular among corporates, further strengthening the position of the GC within the company.

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## THE AGILE GENERAL COUNSEL: MORE THAN LEGAL EXPERTISE

The evolution from legal advisor to strategic advisor is significant - a GC is required to alternate between being both, a partner to the business leaders and a guardian of the corporation's integrity and reputation.

As companies become more global and complex, regulatory schemes continue to change. The GC board member, is best positioned to help the board navigate these choppy regulatory waters. It is due to all of these factors, that organisations are understanding the value of having an experienced GC with good judgment and high integrity.

Governance and compliance are areas of concern not only to the legal head but also to the CEO and the Board. Lawyers are best equipped to synthesise these issues within the context of a financial, tax and corporate framework. This ensures that scrutiny is maintained at the highest level.

Separately, the plethora of corporate citizenship undertakings - diversity, pro bono and CSR activities, is where the GC can assume a leadership role. These initiatives reinforce the organisation's commitment to society, while having a dual effect of strengthening the brand image of the organisation as one which has a progressive outlook and thereby, enhancing the morale of the company's workforce.

## GC AS AN INDEPENDENT DIRECTOR



**KS Suresh**  
Head-ITC Corporate  
Legal, Member-Corporate  
Management Committee

GCs are accustomed to analysing problems, handling confidentiality and, when necessary, offering reasoned recommendations about an issue or a course of action. KS Suresh, *Head-ITC Corporate Legal, Member-Corporate Management Committee* reiterates the same. *"It is easy for in-house attorneys to say "No!" But then they would not be doing their job. Sometimes we find that what appears not doable at first blush, turns out to be eminently possible after a deeper reflection."*

GCs can bring their deep institutional knowledge of the company and domain to external Boards, aiding in reshaping the way companies approach major issues at the board level.

GCs on Boards of companies should broaden their vision and be able to view issues from all angles. While legal skills are innate in a GC, the value they bring to the Board is by being able to have a strategic point of view on Board deliberations.

*"Robust discussions and varying perspectives of other Board members enrich the GC's knowledge and experience. Once the Board acknowledges that the member brings a high level of skill, experience and perspective to the Board deliberations, it ceases to matter whether the Board member is a GC or a Director from any other discipline."* observes Sree Patel.

KS Suresh has the final say on this by commenting. 'The presence of any experienced lawyer at the top-level decision-making body enables the senior management to be alerted to the implications of the businesses' actions. It could be a valuable asset to any large corporation. This is especially so now more than ever before, given the increasing focus – rightly so – on governance, ethics, regulatory compliance etc.'

**on:BOARD**  
Enabling Professional Boards



*By: Shweta Rao - Head of Vahura OnBoard*  
*Vahura OnBoard enables professional boards, by helping companies select non-executive directors (independent, nominee, women), resident directors and advisory board members.*  
*For more information contact write to [shweta.rao@vahura.com](mailto:shweta.rao@vahura.com)*



# Strategy & Management Masterclass for Leaders in Law Firms Followed by a Fireside Chat with General Counsel and CXO Panel

With uncertainty still looming over the decision to open the Indian legal market up to foreign lawyers, Vahura has been conducting research with Indian and International lawyers, focusing on the relationships between domestic and international law firms and the importance of adopting an 'Indian strategy'. This study has been run in collaboration with Redstone - the leading global consulting firm that advises law firms and In-house legal teams around the world.

Respondents to our survey expressed great confidence in the market opening up, with an overwhelming majority of respondents reporting that it is likely to happen.

Reflecting this, Redstone and Vahura are designing and delivering a unique Strategy and Management Masterclass for the leaders of some of India's top law firms.

The session comes at a time of increasing challenges, with India's market becoming more competitive and international, and businesses playing a crucial role, globally.

The two one-day workshops, taking place in Mumbai and New Delhi, will include a unique Q&A session for participants, followed by a fireside chat with the leading General Counsels of some of India's most successful businesses.

Participants will cover the following issues:

- **The changing environment for legal services, and options available:** Where are you and your firm going and where do you want to be?

- **Structure and governance:** Adopting a business model which allows you to both grow and develop into a stronger institution
- **Developing a route map for your future:** How do I get there and who needs to do what and when?
- **Taking the team with you:** Ensuring you have the right people on board and getting the best out of them
- **Pricing Workshop:** Understanding the value proposition and appropriate pricing of services
- **Reward and remuneration:** Agreeing how to divide ownership as well as the financial rewards
- **Globalisation:** Approaches to supporting clients as they follow opportunities abroad, plus increasing the amount of work from foreign customers.

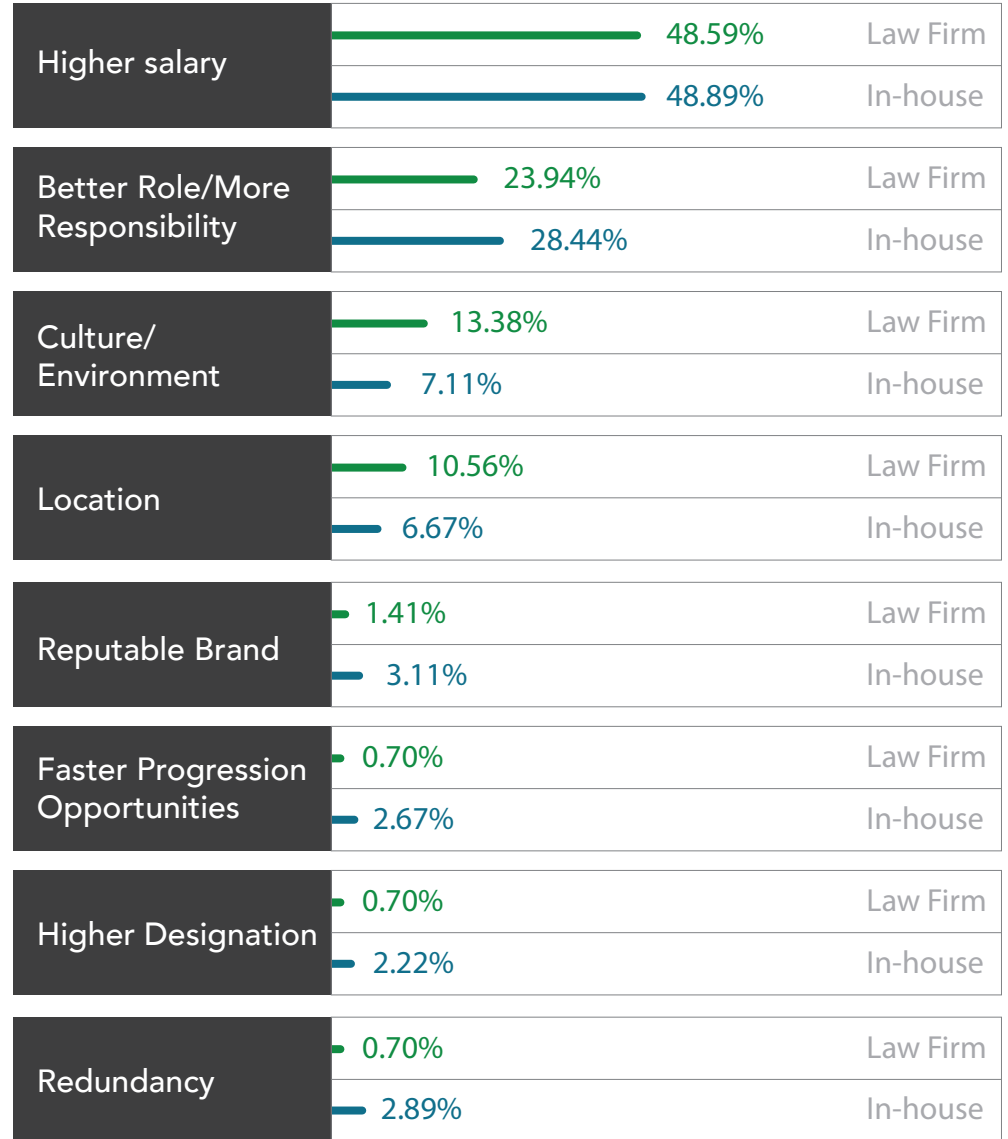
They will also hear the preliminary outputs from the market research completed by Redstone and Vahura on the growing internationalisation of the market.

If you are interested in participating in the fireside chat and be part of an engaging discussion, please write to [consulting@vahura.com](mailto:consulting@vahura.com).

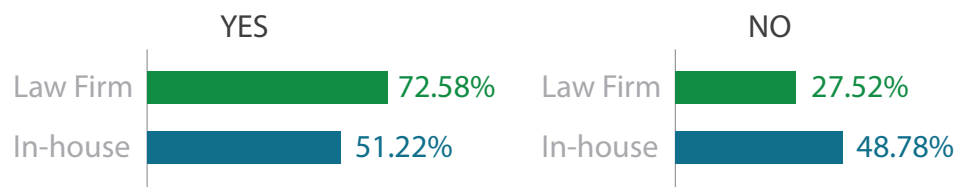
# Quick Survey Analysis

We surveyed law firm and in-house lawyers on a number of parameters relating to their work and career progression.

## TOP MOTIVATORS



## WHEN ASKED LAW FIRM AND IN-HOUSE PROFESSIONALS IF THEY WOULD CONSIDER SWITCHING FROM IN-HOUSE TO LAW FIRM, OR VICE-VERSA, FOR THEIR NEXT MOVE, THIS WAS THEIR RESPONSE



80% of the Law Firm professionals think In-house roles do not provide job satisfaction. Only 20% of the survey takers find in-house legal role to be prestigious.

85% of the In-house professionals think law firm professionals have a tougher work-life balance as compared to them.



# About Vahura



Founded by the alumnus of the National Law School and experienced search professionals, Vahura has pioneered legal recruitment in India and today, services clients across the APAC and MEA regions, with requirements spanning legal, corporate secretarial, regulatory affairs, compliance, and tax domains.

Vahura's expertise also extends to the governance domains, where we enable professional boards by helping companies select and appoint independent directors. Through our consulting services, Vahura works closely with law firms, In-house legal teams and legal services organisations to build capacity and improve service levels.

At Vahura, we take the road less travelled in entering new areas and are driven by the mission to help lawyers do good work.

Some of our other initiatives include:

- Mentorship Programs at Law Schools
- ReLawrch (<http://relawrch.vahura.com/>) - a platform enabling legal professionals to come back to work after a break.

We leverage our network to bring people together through our community engagement initiatives such as the General Counsel Conclave, the Private Commercial Mediation Conclave and the Directors Conclave on Corporate Governance.

We invite you to leverage our knowledge, network and goodwill to enhance the growth of your legal team. Please visit [www.vahura.com](http://www.vahura.com) to find out more about us and how we work or drop in at our offices in Mumbai, Delhi or Bangalore.