

The Future of Full BigLaw Associate Bonuses: New Requirements and Expectations



Large law firms are poised to maintain their annual associate bonuses, which have ranged from \$20,000 to \$115,000 since 2021. However, changes are afoot in the BigLaw landscape, with some firms introducing new requirements and conditions for associates to qualify for these bonuses. Bloomberg Law delves into the evolving landscape of associate bonuses and the factors that could affect their disbursement.

The Bonus Landscape

Historically, large law firms have offered significant annual bonuses to their associates, with the amount typically dependent on factors such as seniority and performance. The range of these bonuses has remained consistent for several years. However, this stability is challenged as firms consider attaching new conditions to these bonuses.

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The String-Attached Bonuses

One notable change on the horizon is the introduction of requirements related to office attendance. Firms like Davis Polk & Wardwell, Sidley Austin, and Simpson Thacher & Bartlett have indicated that bonus money could be reduced for associates who do not adhere to their attendance policies. Davis Polk, for instance, requires associates to be in the office for four days per week, while other firms set the bar at three days.

Raising the Bar on Billable Hours

Another alteration to the bonus landscape involves raising the billable hours needed to qualify for full bonuses. This change allows firms to continue advertising that they pay competitive market rates while potentially disqualifying associates who haven't met the heightened billable hours requirements.

Joshua Holt, a former Goodwin Procter lawyer and the founder of BigLaw Investor noted, "Even if they don't have that many associates that qualify for those bonuses if the firm's had a tough year." This suggests that these changes may allow firms to manage their financial obligations more flexibly.

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Bonus Announcements Await

Typically, bonus announcements in the legal industry commence in late November, with Quinn Emanuel Urquhart & Sullivan announcing special fall bonuses ranging from \$2,120 to \$32,908 in mid-October. These special bonuses are an intriguing contrast to the changing bonus landscape, raising questions about whether they represent a new norm or an exception in the industry.

The Recruiter Perspective

Some industry experts, like recruiter Kate Reder Sheikh of Major, Lindsey & Africa, suggest that the special bonuses offered by Quinn Emanuel may be a "one-off." This viewpoint hints at the potential variability in law firms approach bonuses, highlighting the ongoing uncertainty in the BigLaw bonus landscape.

In conclusion, the world of total BigLaw associate bonuses is evolving, with new conditions and expectations being introduced by some of the most prominent firms. As the legal industry navigates these changes, associates must adapt to shifting requirements to secure bonuses and continue their legal careers.

Don't be a silent ninja! Let us know your thoughts in the comment section below.

