

Trends in NQ retention in 2011

After a rotten couple of years for trainee retention, we are pleased to report that our research for 2011 shows that at our surveyed firms, 1,813 out of 2,251 trainees stayed on at the firm that trained them – just over 80%. As the chart below shows, that marks a return to the average of the pre-recession years, following a slump in 2009 and 2010.



Why has retention recovered? It doesn't take a genius to work out that the big drop in 2009 was a direct result of the economic downturn, and it makes sense that as the market has haltingly recovered, so firms need more junior lawyers. However, this does not tell the whole story. It's a simple fact that because many firms deferred the start dates of trainees in 2009, the qualifying class of 2011 is the smallest in years. As we've already noted, a total of 2,251 trainees qualified at our surveyed firms in 2011. That's over 400 fewer than in 2010. There have simply been less second-year trainees competing for NQ jobs.

How we collect retention results

You'll see retention statistics collected by various other legal websites, and they won't always match ours exactly. That's because firms tend to calculate their figures in different ways. For example, some will only count trainees who actually applied for a NQ job, excluding from their final result those who decided to move on of their own accord.

We have a very simple methodology: each year we ask firms the following questions. How many of your trainees were due to qualify in this calendar year, and out of those, how many will be staying on with you? This gives us a simple 'x out of y' figure that's consistent for every firm.

This retention survey is the largest of its kind. Most other market commentators stick to collecting retention rates for the large City firms but since the True Picture covers firms across England and Wales, from the largest international outfits to much smaller firms, our survey covers approximately 45% of *all* qualifiers in England and Wales in 2011.

Breakdown of figures

A little bit of number-crunching is also telling. For example, we can see in the table below that it is the larger firms, which account for the most trainees, that are making the figures look so healthy. At the smaller firms – far more numerous – retention hasn't been quite so good in 2011.

| Retention by size of firm | Total retained | Total qualifiers | % |
|-----------------------------|----------------|------------------|---------------|
| Firms with 1-10 qualifiers | 232 | 308 | 75.32% |
| Firms with 11-25 qualifiers | 474 | 613 | 77.32% |
| Firms with 26+ qualifiers | 1107 | 1330 | 83.23% |
| Total | 1813 | 2251 | 80.54% |

Why do people leave the firm that trained them?

There are many reasons why a firm might part ways with a person at the end of his or her training contract. Here are a few of the most common:

- ⤴ There are no NQ jobs available in the trainee's favourite area of practice. Rather than stay in a second-choice department, they will seek out a job in another firm that can give them what they are looking for.
- ⤴ Personal reasons. The trainee may decide they want to move to a different area of the country to be closer to their family or a partner, or they might decide that the law isn't for them after all.
- ⤴ Personality clash. Nobody's fault – sometimes a person just doesn't fit in at their workplace.
- ⤴ The firm has more qualifying trainees than jobs available. This has become increasingly common since 2008 due to the poorer state of the economy and the changing nature of the legal sector. Almost all firms have had to cut costs and make redundancies, as they haven't needed (or couldn't afford) to retain as many junior lawyers as they had previously estimated when the trainees were initially hired.
- ⤴ The trainee wasn't good enough. Despite the fact that firms spend a lot of time and money searching for the best possible candidates with the best possible qualifications, there will always be a few who subsequently turn out to be less capable than required. Sad but true.

2011 league table

The following table is a breakdown of retention at our surveyed firms. Since keeping on 0% or 100% of trainees when you only have one or two of them isn't indicative of anything much, we've only included those firms that had ten or more qualifiers in 2011. If you're curious as to why firms lower down the table didn't manage to keep so many people on, we recommend you read their True Picture reports as there may be a good explanation.

Note: Where two or more firms have the same %, the firm with most trainees is ranked higher

The top 20

| Rank | Firm | Staying | Total | % | Last year: 2010 |
|------|-----------------------------|---------|-------|--------|---------------------------|
| 1 | DWF | 16 | 16 | 100.00 | 9 th (89.5%) |
| 2 | Reynolds Porter Chamberlain | 13 | 13 | 100.00 | =22 nd (83.3%) |
| 3 | Berwin Leighton Paisner | 40 | 41 | 97.56 | 32 nd (81.1%) |
| 4 | Nabarro | 19 | 20 | 95.00 | 17 th (85.3%) |
| 5 | As hurst | 47 | 50 | 94.00 | 46 th (77.4%) |
| 6= | Hill Dickins on | 15 | 16 | 93.75 | 12 th (88.4%) |
| 6= | Reed Smith | 15 | 16 | 93.75 | 53 rd (72%) |
| 6= | White & Cas e | 15 | 16 | 93.75 | 5 th (92.6%) |
| 9= | Ince & Co | 14 | 15 | 93.33 | =22 nd (83.3%) |
| 9= | Latham & Watkins | 14 | 15 | 93.33 | 44 th (77.8%) |
| 11 | TLT Solicitors | 13 | 14 | 92.86 | 28 th (81.8%) |
| 12 | Fres hfields | 88 | 95 | 92.63 | 27 th (82.1%) |
| 13 | Slaughter and May | 81 | 88 | 92.05 | 13 th (88.2%) |
| 14 | Macfarlanes | 28 | 31 | 90.32 | 30 th (81.5%) |
| 15 | Farrer & Co | 9 | 10 | 90.00 | 1 st (100%) |
| 16 | DLA Piper | 69 | 77 | 89.61 | 31 st (81.4%) |
| 17 | Evers heds | 38 | 43 | 88.37 | 29 th (81.6%) |
| 18 | Irwin Mitchell | 28 | 32 | 87.50 | 19 th (84%) |
| 19 | Linklaters | 102 | 117 | 87.18 | 34 th (80.1%) |
| 20 | Norton Rose | 40 | 46 | 86.96 | 45 th (77.6%) |

and the rest...

| Rank | Firm | Staying | Total | % | Last year: 2010 |
|------|---------------------------|---------|-------|-------|---------------------------|
| 21 | Clifford Chance | 94 | 109 | 86.24 | 49 th (75%) |
| 22 | Burges Salmon | 17 | 20 | 85.00 | 2 nd (95.5%) |
| 23 | Weil, Gotschal & Manges | 11 | 13 | 84.62 | =57 th (70%) |
| 24 | Addleshaw Goddard | 26 | 31 | 83.87 | 15 th (87%) |
| 25 | Travers Smith | 20 | 24 | 83.33 | 33 rd (81%) |
| 26= | Lawrence Graham | 10 | 12 | 83.33 | 60 th (69.6%) |
| 26= | Shearman & Sterling | 10 | 12 | 83.33 | Not in True Picture |
| 28 | Herbert Smith | 85 | 103 | 82.52 | 48 th (76%) |
| 29 | Osborne Clarke | 14 | 17 | 82.35 | 11 th (88.9%) |
| 30 | Bird & Bird | 13 | 16 | 81.25 | 18 th (84.2%) |
| 31 | Beachcroft (pre-merger) | 25 | 31 | 80.65 | 50 th (74.2%) |
| 32 | Baker & McKenzie | 32 | 40 | 80.00 | 10 th (89.2%) |
| 33 | Kennedys | 12 | 15 | 80.00 | =57 th (70%) |
| 34 | Bevan Brittan | 8 | 10 | 80.00 | 70 th (52.9%) |
| 35 | Allen & Overy | 92 | 117 | 78.63 | 41 st (78.9%) |
| 36 | Jones Day | 18 | 23 | 78.26 | 63 rd (63.6%) |
| 37 | Taylor Wessing | 14 | 18 | 77.78 | 40 th (79.2%) |
| 38 | Wragge & Co | 17 | 22 | 77.27 | Not in True Picture |
| 39 | Watson, Farley & Williams | 10 | 13 | 76.92 | =22 nd (83.3%) |
| 40 | Withers | 13 | 17 | 76.47 | =20 th (83.3%) |
| 41= | Bond Pearce | 9 | 12 | 75.00 | 7 th (91.7%) |
| 41= | Shoosmiths | 9 | 12 | 75.00 | =20 th (83.3%) |
| 43 | CMS Cameron McKenna | 42 | 57 | 73.68 | 47 th (77%) |
| 44 | Charles Russell | 11 | 15 | 73.33 | 35 th (80%) |
| 45 | Pinsent Masons | 41 | 56 | 73.21 | 65 th (60.7%) |
| 46 | Stephenson Harwood | 10 | 14 | 71.43 | 66 th (60%) |
| 47 | Dundas & Wilson | 14 | 20 | 70.00 | 51 st (72.7%) |
| 48 | SJ Berwin | 20 | 29 | 68.97 | 43 rd (78.4%) |
| 49 | Simmons & Simmons | 22 | 32 | 68.75 | 52 nd (72%) |
| 50 | Squire Sanders Hammonds | 14 | 21 | 66.67 | 42 nd (78.9%) |
| 51= | McGrigors | 8 | 12 | 66.67 | 79 th (33.3%) |
| 51= | Morgan Cole | 8 | 12 | 66.67 | Not in True Picture |
| 53 | Cobbetts | 9 | 14 | 64.29 | 64 th (61.9%) |
| 54 | SNR Denton | 23 | 36 | 63.89 | 77 th (48.7%) |
| 55 | Hogan Lovells | 44 | 69 | 63.77 | 62 nd (68.4%) |
| 56 | Mayer Brown | 15 | 25 | 60.00 | 69 th (53.6%) |
| 57 | Pannone | 12 | 20 | 60.00 | 71 st (50%) |
| 58 | Manches | 6 | 10 | 60.00 | =37 th (80%) |
| 59 | Olsong | 7 | 12 | 58.33 | 68 th (64.2%) |
| 60= | Mills & Reeve | 8 | 22 | 36.36 | 8 th (91.3%) |
| 60= | Dickinson Dees | 4 | 11 | 36.36 | 78 th (47.4%) |

Don't set too much store by this league table: just because a firm did poorly this year doesn't mean it will next year – look at the example of Speechly Bircham – sixth in the above table, but 52rd in 2010, or Mills & Reeve which dropped from eighth place last year to joint-bottom this time round.

Nevertheless, we do notice that some firms consistently post excellent retention figures. The occupier of this year's top spot, DWF, also came first in 2009 and, along with Slaughter and May, Burges Salmon and Farrer, has kept more than 85% of its qualifiers in each of the last four years. By the same token, some firms regularly languish at the bottom end of the table. McGrigors, SNR Denton and Simmons & Simmons are among those which seem to be down in the lower reaches more often than not.

Obviously, retention probably won't be the main factor behind your choice of firm, but it might be the sort of thing you want to take into account if you're in the fortunate position of being able to choose between two or three offers. To help you, we've created a table showing retention statistics going back ten whole years. You can find it elsewhere on www.chambersstudent.co.uk