

Transforming the talent pool

What does the future hold for senior lawyers in the Middle East? Denise Hasircioglu and Saad Akhtar of Michael Page Middle East share a forecast of the region's recruitment activity.

“Ramadan is quiet; key decision-makers won't be available to sign off on senior hires. Summer holidays and Eid Al-Adha mean the entire region will experience a slow-down. Christmas is around the corner; we won't get any interest before January.”

Do these excuses sound familiar?

As a senior consultant in the Legal recruitment division at Michael Page Middle East, we have seen a significant shift in the market over the past year, compared to the recruitment golden age of 2014/2015 when senior lawyers who had Corporate or M&A experience, or worked in Oil & Gas, Construction or Banking, were moving to the Gulf in droves. Demand outweighed the supply, which meant that candidates/job seekers could name their price. Salary was the key motivator at that time.

So, what exactly has caused recruitment activity at the legal director/general counsel level to slow down?

As with most sectors, recruitment is almost always directly impacted by external factors

such as the oil price, the property market, political disparities, seasonal unavailability and/or future uncertainty—for example, the post-Expo 2020 landscape in Dubai. And since the Gulf has started moving away from its reliance on oil profits, the subsequent economic downturn has forced companies to reassess how they attract and retain talent.

Based on the findings from our quarterly job market surveys with our database of candidates, it is lifestyle, comfort and leisure that have shuffled their way to the forefront of what attracts skilled expats to the region, and encourages them to stay. Rather than focusing solely on the financial gain, quality of life has become the motivating factor for senior legal professionals, who now have their sights set on the longer term. More often than not, spouses and children are moving along with them, they are committing to schools and laying their roots down for the foreseeable future.

However, over last couple of years, we have witnessed several organisations,



particularly in the UAE, making significant structural changes to their legal departments. Besides the slowing economy, this has largely been attributed to the introduction and implementation of Emiratisation programmes and cost optimisation attached to internal resources. Though the spotlight still shines on employing a dedicated in-house legal team, we are seeing an increasing number of top positions like ‘general counsel’ and ‘legal director’ falling away and being replaced by senior legal counsel, commanding a salary reduction of up to 50 per cent and forcing legal directors who were paid well over AED120k per month to reconsider their options.

These changes mean that organisations can bring in individuals who only manage a limited amount of senior functions and account for some decision-making, and then utilise external counsel for complex transactions and disputes.

While this option may offer greater business flexibility for the organisation, one could argue that external lawyers may not always give the most personalised legal advice because of their lack of intimate knowledge of the business or lack of shared interest in its success.

So, what happens to the senior expat who is here to stay?

Despite changes in market factors, we have continued to enjoy a consistent flow of senior roles within stable organisations that are seeking lawyers who have existing Middle East experience to head up their regional legal departments. The only major change has been in remuneration, where the bulk of positions are circulating at approximately AED60k – 100k per month. So, although you may have to take a drop in salary it might not hit as hard as you expect it to. An expat lawyer’s disposable income in the Gulf remains significantly above that of most of their home countries.

Property prices have fallen by 21 per cent in the past 12 months, and the price of entertainment, leisure, dining etc., (which increased at first) has decreased to remain competitive against an overflow of options. Also,

smaller, leaner legal teams lead to amplified responsibility, stimulating work satisfaction and faster career development.

What does it mean for associates/partners working in private practice?

For lawyers working in Private Practice, changing market conditions have resulted in an increase in business from certain sectors i.e. the public sector, family groups, private equity, financial services, and TMT. The majority of the work will trickle into practices able to offer a unique service such as financing (LMA), Tax, M&A, restructuring, asset management, IP, dispute resolution and litigation.

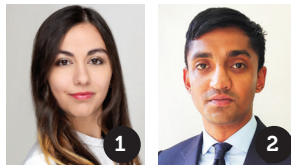
What qualities are most in demand at the moment?

Western qualified lawyers with anything between 3 and 15 years of experience, who are also Arabic speaking will see the most interest in the market at this stage. Senior corporate lawyers who have international experience, (not necessarily Arabic speaking) and have worked in volatile industries such as oil & gas/construction will continue to be in high demand and can command higher-than-average salaries.

Special legal expertise to possess would be finance, projects and investments. And the ability to engage with senior stakeholders from a junior capacity will undoubtedly help catapult one’s career. 🚀



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