

Legal Recruitment in Hong Kong



For well over a century, Hong Kong has been a key meeting point for businesses from the East and West, a long established window into Mainland China. As such, it is sometimes a place of contradictions. During the recent past, this dichotomous nature has had a significant impact upon the former British colony's economy. On one hand, the fallout from the sub-prime crisis and the subsequent financial meltdowns in the US and Europe has been very significant. On the other, China's relative resilience in the face of what quickly became a global economic crisis has provided a degree of stability and, more recently, significant confidence that the recovery will both continue and gather pace.

Within private practice, numerous firms are seeking to recruit listings specialists to their corporate finance teams. Obviously this is a reflection of the number of IPO's currently being planned and undertaken, which again indicates the increasing confidence in Hong Kong's economic future. While not at the same level as corporate finance, other practice areas that are seeing a pick-up in recruitment activity at the moment are M&A and dispute resolution.

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For roles generally, virtually all candidates are now expected to be both Hong Kong qualified and to have fluent Mandarin language skills. Cantonese is also helpful for many roles, but in most cases Mandarin has become the minimum requirement.

Notwithstanding an undoubted increase in business for most law firms and thus a widespread intent to increase headcount, particularly in key practice areas such as those identified above, the vast majority of clients remain content to take their time over the recruitment process. Generally firms are not yet busy enough such that they have to rush to make hires. Instead, they can take their time in order to find what they consider to be the perfect candidate.

It is perhaps partly for this reason that many firms are dealing with some of their most immediate staffing needs by way of secondments from other offices rather than by hurried external appointments. Similarly a number of international firms have sought to establish a presence in the region by re-locating existing partners from overseas rather than by recruiting new partners who are already here working for competitors.

While the outlook for the economy and thus for legal business is undoubtedly good, from a legal recruitment perspective, these positives can be tempered somewhat by the fact that there is a severe shortage of top quality lawyers in the busiest practice areas. One consequence of this is that those lawyers of the right calibre who have moved in the recent past have commanded salaries that are at the very top of the global range.

So far as in-house roles are concerned, we are currently seeing strong demand for banking and insurance lawyers, particularly those with product-specific experience. The high level of demand means that some employers are becoming more open to hiring private practice lawyers with strong experience of the product in question.

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A number of multi-nationals are actively recruiting Hong Kong based lawyers to work in their Mainland offices, typically in Shanghai. In most cases, the candidate profile will be a US or PRC qualified lawyer, with strong prior experience working with a similar type of corporation.

On the supply side, there is a significant surplus of private practice lawyers, and particularly those working in corporate finance, who are looking to move in-house. In large part, this is down to the very significant workload being faced by a high proportion of listings lawyers at the moment, dealing with the strong recent growth in IPO activity.

In general terms, as with private practice, in-house legal teams are becoming increasingly demanding when it comes to Chinese language skills. In particular, growing numbers of corporations are insisting that candidates have the ability to read and write Chinese. This means that there are fewer opportunities for foreign lawyers in the Hong Kong market. Moreover, many overseas born Chinese candidates who often speak Mandarin and/or Cantonese often do not have the same level of language skills when it comes to reading and writing and thus they are also being affected by these more stringent requirements.

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