



NAPLA

The Northeast Association of Pre-Law Advisors

Connecticut Delaware Maine Maryland Massachusetts New Hampshire New Jersey  
New York Pennsylvania Rhode Island Vermont Virginia Washington, D.C. West Virginia

# The Latest News

*From the Communications Team*

*Karen Clemence, Lafayette College*

*Dom DeLeo, Boston College*

*Heather Struck, Cornell University*

**SPECIAL EDITION: EMPLOYMENT TRENDS**

MARCH, 2010

*This special edition newsletter features a recently released article:*

***“Employment Trends for New Attorneys: An Overview for Pre-law Advisors”***

***by Elizabeth K. Peck, Director of Public Service, Cornell Law School, and NALP Liaison to PLANC***

## CONTENTS

To view the article’s contents, click on any item or scroll through the newsletter.

<i>Introduction</i> .....	1
<i>The Players</i> .....	2
<i>Large Firms</i> .....	2
<i>Small and Mid-size Firms</i> .....	2
<i>Government and Non-profit Employers</i> .....	2
<i>The Students/Recent Graduates</i> .....	3
<i>Advice for Pre-law Students: Evaluate the Investment</i> .....	4
<i>Advice for Pre-law Students: Prepare for a Public Service Career</i> .....	4
<i>Advice for Pre-law Students: Strengthen Job Search Skills</i> .....	4
<i>CLEO: Achieving Success in the Application Process (ASAP)</i> .....	5

## INTRODUCTION

The market for legal talent, like everything else, has seen radical change since the Great Recession began in the fall of 2008. While no one can predict the future, important attorney employment trends have become clear and some experts anticipate long-term structural changes to the hiring and retention of lawyers. Pre-law counselors can help their advisees prepare for life after law school by understanding and communicating these changes so pre-law students can anticipate the employment market they may face during and after law school.

## THE PLAYERS

To understand what the future may hold, it is helpful to see how interconnected players have been affected by the economic downturn. The first players are not lawyers at all, but rather clients. Corporations, large and small, have seen demand for their goods and services plummet. Consequently, their demand for legal services has declined. And, corporate clients who *do* have legal needs are seeking to spend less. They are shifting their work to less expensive attorneys and demanding that specialized and expensive attorneys justify their fees. While not all lawyers work for businesses, the downturn in demand by corporate clients has had important and rippling effects. In other sectors, cuts in state and local budgets have had a significantly deleterious impact on legal positions at the state and local levels.

### LARGE FIRMS


Most immediately, the contraction in the corporate sector hit large law firms hard. These firms saw their profits decline as much as 30%, longstanding clients dissolve, and entire areas of practice disappear. Between May 2008 and September 2009, nearly 44,000 legal sector jobs were lost and four nationally prominent firms have dissolved. In addition to laying off attorneys and other staff, these firms have offered voluntary furloughs to remaining attorneys, are freezing or reducing compensation, and are redesigning promotion structures. Because corporate clients are increasingly demanding that their work not be staffed by very junior attorneys who are often inexperienced and inefficient, analysts predict that even when this economic downturn is over, entry-level hiring and starting salaries at larger firms will remain relatively low, as compared with their historic highs in the years immediately preceding the downturn.

### SMALL AND MID-SIZE FIRMS

News stories and personal narratives indicate that mid-sized and smaller firms in regional markets may be weathering the storm better than their big city/big firm cousins. As corporations, large and small, seek to reduce their spending on legal fees, the lower billing rates of mid-sized and small firms become very attractive. In some cases, boutique firms which specialize in areas like bankruptcy, employment law, and government contracts may offer clients more value added than a full-service firm. And, experienced attorneys from larger firms may increasingly be moving laterally to positions with these smaller firms or even opening firms of their own. While this is all very promising, it is difficult to track how many new attorneys these smaller firms are hiring. Unfortunately, anecdotal evidence seems to indicate that they are not yet increasing their staffs, due to the fragile nature of the economy.

### GOVERNMENT AND NON-PROFIT EMPLOYERS

On the public side of the legal hiring equation, another set of players is also seeing change. In a spot of good news, the federal government, which employs tens of thousands of attorneys, anticipates increased legal hiring over the next five years, as new federal programs come on line and stimulus money is utilized. While much of this demand will be satisfied by senior attorneys moving in from private practice and elsewhere, the federal government's summer and post-graduate employment programs for law students are in high demand.

At the local level, unfortunately, the picture is not so rosy. State and municipal governments find their resources vastly reduced, leading to layoffs, as well as hiring and salary freezes. Judges' chambers, a frequent destination for new law graduates, continue to hire; however, especially at the state-court level, some clerkship positions have been eliminated. And, 

importantly, judicial clerks who cannot find jobs after their one or two-year positions conclude are often kept on, thus reducing the number of vacancies available for new job seekers. Non-profit organizations and providers of legal services to the indigent have been squeezed by increased client needs and sharply reduced funding streams. Donations from private entities and interest on lawyer trust accounts, both essential sources of funding, have declined radically, forcing some legal services providers and non-profits to lay off attorneys or suspend hiring, even as their caseloads increase.

## THE STUDENTS/RECENT GRADUATES

Law students, current, past and future, are all affected by the changes legal employers are undergoing.

At the largest firms, recent law school graduates (classes of 2008 and earlier) have been let go unprecedented numbers. Many 2009 graduates who were to start working for these firms in fall 2009 have been deferred, meaning that they have been asked to start work up to 18 months later than they had originally planned, many in exchange for a monetary stipend. Large firms made fewer offers of permanent employment to the Class of 2010 after their summer associate experiences; and, many of those students who received offers are expected to receive deferrals as well. Finally, the current 2L students in the Class of 2011 have seen far fewer options at large firms, as these employers have radically cut the sizes of their summer associate classes.

Deferred associates are using their deferral periods to volunteer at non-profits, with state and municipal government agencies, and in judges' chambers. For these temporary employers, this talented volunteer pool comes at an excellent time, as many of these entities are seeing their budgets plummet and demand for their services surge. And, yet, this win/win has potential losers: namely, current law students and recent alumni dedicated to public sector work. There is fear and anger among these job seekers, as they are worried that a public-sector employer would rather take a deferred associate volunteer for a 6 to 12 month period, rather than scrape together the funding to hire a permanent attorney. While this concern may be moot, as many public-sector employers are laying off attorneys or are hiring permanent attorneys while concurrently accepting deferred associate volunteers, this increased anxiety is real for many.

What about the feds? Aren't they hiring? Thankfully, yes. Law students and unemployed recent graduates are applying to work for federal agencies of all stripes. This fall, federal agencies saw applications to their summer programs for 2Ls and their entry-level positions for 3L spike to unprecedented levels. Lateral hiring has also heated up. This increased interest took many federal hiring attorneys by surprise. For example, one agency, the FTC, stopped accepting on-line applications several days before its announced deadline due to the overwhelming popularity of its program. It goes without saying that competition for these positions has increased dramatically as well.

Recent graduates and third-year law students are also seeking clerkships in record numbers. Federal court clerkships have always been highly competitive, and this year applications rose to new heights. On-line applications to federal judges, which account for two thirds of all federal clerkship applications, were up 66%. And, the number of applicants rose as well: 42% more candidates applied for federal clerkships via the on-line system than they did the previous year. State judicial clerkship applications increased too, as job seekers looked to this sometimes overlooked sector of the judiciary for employment opportunities.

Smaller firms remain the wild card for students and recent graduates. While industry analysts believe that these firms may be the winners in the economy of the coming years



it is too soon for empirical evidence to support that theory. Importantly, because smaller firms hire new and junior attorneys on an 'as needed' basis, it is hard to predict when and to what extent such firms will be absorbing the many laid-off and entry-level attorneys in the coming years. Further, job-seekers in this sector have to radically retool their job-search strategies to pursue positions which are often found via word of mouth. Students and graduates used to mass mailings and clear application guidelines must adapt to a world in which making connections is the key to employment success.

## **ADVICE FOR PRE-LAW STUDENTS: EVALUATE THE INVESTMENT**

Students considering law school must understand that the game has changed and may not return to its pre-2008 form. The radical change in employment opportunities creates radical change in expectations for career paths and financial futures. Many students go to law school expecting to graduate with high salaries to service their debt. Because larger firms are hiring smaller entry-level classes and may continue to do so even after the economy has stabilized, students considering a career in law need to imagine how they will repay their educational debt on the lower salaries typically encountered with judges, government agencies, non-profits and smaller firms.

Due to the severity, duration and pervasiveness of this economic downturn, every law school in the country has seen its impact. As opportunities in all sectors become more competitive, the competition multiplies throughout the system. Students considering law school options must look beyond historical placement statistics to estimate how members of the Class of 2013 and beyond will fare in an environment of scarcer job options.

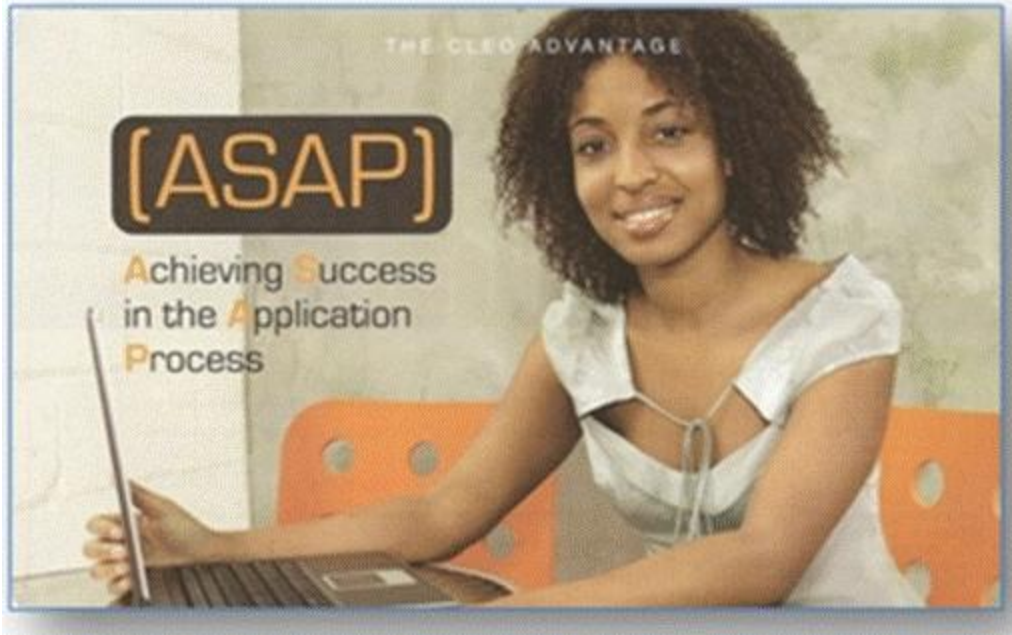
## **PREPARE FOR A PUBLIC SERVICE CAREER**

For the millennial generation currently attending college, public service may be a very attractive option. In addition, some students who were energized by the 2008 elections may be inspired to look to government service. And, many younger attorneys are turning to public-sector work out of necessity, given the dearth of private sector options. Finally, some public-side employers, like public defender, legal aid offices, and other non-profits, are cutting their attorney ranks due to funding crises. Taken together, these four phenomena will make a public service legal career elusive. To be competitive, students must come to law school with as much public sector experience as possible so that they can show legal employers they are dedicated to the work. They will need to utilize their pre-existing skills, knowledge and connections to land their first legal jobs. Helping pre-law students to see the need for term-time and summer internships, as well as full-time positions, in the public sector before entering law school will put them ahead of the game when they begin their first year legal job search.

## **STRENGTHEN JOB SEARCH SKILLS**

Many students enter law school with very little experience in finding work. Many have found summer work easily through family and friends, while others have always gotten every job to which they have applied. Given the increased employment competitiveness that will likely remain into the indefinite future, the sooner students learn how to effectively find jobs, the better off they will be. Research, targeted networking and tailored application materials are the hallmarks of effective job searching. If, as undergraduates, they develop these pro-active skills when securing internships and summer work, they will be better equipped to enter the legal employment market.

## THIS JUST IN FROM CLEO: ASAP



Preparing talented, motivated, yet under-represented students to successfully gain admission to and succeed in law school. [Achieving Success in the Application Process: ASAP](#) The ASAP program's curriculum will focus on aspects of the law school application process that are commonly overlooked or undervalued by students when applying to law school.

- **Read** recent participant comments [here!](#)
- **See** 2009 ASAP Highlights and Photos [here!](#)

**When/Where:** July 9-11, 2010 - Atlanta, GA

**When/Where:** July 23-25, 2010 - Los Angeles, CA

**How:** Apply for free online NOW!

**Who:** Juniors. Also, seniors and post graduates who will apply to law school for Fall 2010 or thereafter.