

Legal Hiring & Salary Outlook

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At the midpoint of a difficult year for virtually all businesses, including law firms, hiring and salary outlooks remain cautious.

The *Robert Half Legal 2010 Salary Guide* indicates that hiring decisions have become more calculated as law offices strive to better align resources with demand. Many St. Louis firms, for example, are waiting to see sustained signs of economic recovery before adding full-time employees.

Nonetheless, firms remain on the lookout for strategic opportunities to upgrade their talent on the bench. Hiring is increasingly linked to revenue-generation ability.

In the current environment, some law offices are also implementing a mix of full-time hiring and the use of contract attorneys and temporary support professionals to augment core staff. This approach is timely for law firms because it allows them to more easily adjust staff levels to address shifting demands and to better manage expenses and reduce future layoffs.

Firms want attorneys who can enhance in-demand practice areas by bringing a solid book of business or strong reputation with them. Senior and midlevel attorneys, particularly those with three to six years of experience in growth areas, are among the most marketable.

On the other hand, candidates for first-year associate positions are facing a competitive hiring environment. Many staff reductions have occurred at this level, and base compensation for first-year associates, particularly at large firms, are under scrutiny and may be recalibrated.

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While employment activity at large law offices has slowed, small to midsize firms specializing in niche practices such as Litigation, Bankruptcy and Foreclosure, or Intellectual Property, and Labor and

Employment, are seeing an increase in demand for their services. They seek senior and midlevel attorneys and paralegals with specialized expertise.

Other practice areas and positions that are in demand include those related to regulatory and compliance issues, health-care, contracts and licensing, and energy/environmental law. According to lawyers surveyed by Robert Half Legal, Bankruptcy and Litigation are likely to be the practice areas that experience the most growth in months ahead.

As law firms look for new ways to maintain productivity and increase revenues, they are trimming nonessential support staff and assigning more responsibilities to paralegals or creating hybrid positions. Attorneys have become more tech-savvy and now handle many responsibilities that might have previously been performed by a secretary.

Some tasks formerly performed by legal secretaries have been reassigned to paralegals. Because of the changing role of legal secretaries, the most employable professionals will be those who bring a broad range of skills to the table, such as paralegal training, specialized practice area knowledge, or administrative experience.



The most versatile paralegals are benefiting from the consolidation of roles that is occurring. Demand is steady for those who can help law firms generate revenue by performing vital legal tasks while also taking on duties in human resources, office administration or financial operations. In a law firm environment, paralegals with experience in active practice areas such as Litigation, Bankruptcy/foreclosure, Medical

Malpractice and Insurance Defense are seeing the most opportunities.

As layoffs in the legal field have risen and firms address fluctuating demands, downward pressure on salaries has increased at every position and level. Many firms have also revised bonus programs, perks, and contributions to 401(k) plans. A greater share of the cost of benefits is being shifted to employees.

Base salaries are projected to remain flat or decrease in coming months for support personnel such as legal secretaries and paralegals, as well as for legal specialists such as clerks, litigation support managers and contract administrators. A notable exception among support positions tracked in the *Salary Guide* is the paralegal role at midsize firms with 35-75 attorneys. Again in St. Louis, these paralegal positions are expected to see a starting salary increase of one percent to a range of \$53,500-\$68,500.

As law firms continue to face one of the most challenging business environments in decades, many are making fundamental changes in how they deliver and charge for their services. Only time will tell how long it will take for hiring activity and salaries to rebound, but candidates familiar with the strategies that firms are using to manage resources are most likely to be successful in their job searches.

For more information on salary and hiring trends visit www.roberthalflegal.com/SalaryCenter. The online Salary Center features up-to-the-minute information and analysis on the employment environment, and a Salary Calculator allows access to starting salary ranges for specified positions and locations.

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