

# **Careers in law firms**

Craig Stalzer | September 2014

You're probably aware that lawyers work in law firms throughout the country. But did you know that law firms also employ a wide variety of other workers?

The legal services industry, which includes offices of lawyers (commonly known as law firms), employed more than 1 million workers in 2013, according to the U.S. Bureau of Labor Statistics (BLS)—and more than 90 percent of jobs in the industry were in law firms. In addition to lawyers, more than 100 occupations are in law firms. These occupations include ones you might expect, such as paralegals and legal assistants, and others you might not, such as bookkeepers, computer support specialists, and general and operations managers.

This article is a snapshot of work in law firms. The first section gives an overview of the legal services industry and some of its occupations. The second section examines the employment, outlook, and wages of the occupations.

The third section describes some of the rewards and challenges of work in a law firm. And the fourth section discusses how to prepare for these careers. Sources for more information are also provided.

## Law firm work

Law firms comprise lawyers who advise clients on their rights and responsibilities and represent clients in legal proceedings. Some firms have a variety of practice areas, such as bankruptcy, real estate, immigration, and criminal law. Other firms may specialize in one. Lawyers made up one-third of all employment in the legal services industry in May 2013, with paralegals and legal assistants and legal secretaries combining for another 35 percent. In addition to offices of lawyers, this industry also includes offices of notaries and offices of title abstract and settlement.

Other occupations employed in law firms are record clerks, bookkeepers, information technology (IT) specialists, and general and operations managers. These workers do tasks such as sending invoices to clients and creating the firm's document management systems. However, these and other occupations make up a small percentage of the legal services industry. (In some firms, these are contract workers who are not employed directly by the law firm and are not counted as part of the legal services industry.)

Responsibilities of law firm workers may overlap. For example, paralegals may be given some administrative tasks—such as filing papers and scheduling meetings—previously assigned to legal secretaries. At the same time, legal secretaries often perform paralegal tasks, including research and fact checking.

## Lawyers

<u>Lawyers</u> advise and represent individuals and businesses on legal issues and disputes. Lawyers research relevant laws and regulations and apply them to the clients' circumstances. Within a firm, lawyers typically specialize in one or two legal areas. For example, a criminal lawyer defends a person or business charged with unlawful activity. A corporate lawyer handles mergers and acquisitions or conflicts between corporations.

A lawyer's work for a client usually begins when a client hires the firm. The client may need legal representation to defend against or pursue a specific action or to handle legal questions as they arise. Lawyers review both their clients' and the opponents' documents to determine what the facts are and which documents are relevant to the case.

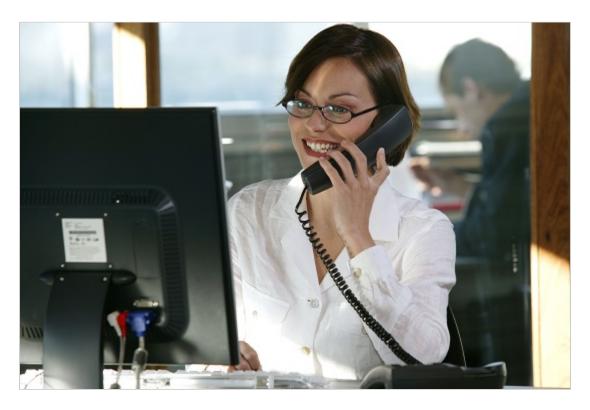
After reviewing documents, lawyers typically meet with clients to ask questions about the facts of a case. "I talk to people frequently to try and find out what the truth is," says Adrienne Herrera, a lawyer in Los Angeles, California.



Lawyers also interview people relevant to a case. Sometimes, lawyers request that the court issue a subpoena to compel participation from someone who may have important information about the case but is reluctant to get involved. The research, interviews, and other documents help lawyers to craft legal analysis and arguments on behalf of their clients. To advocate for the client's position, lawyers often write supporting documents and submit them to the court. Lawyers must also inform their client about the status of the case and advise the client on the best way to proceed. Time spent on client contact usually differs by firm and legal practice area.

## **Paralegals**

Paralegals help lawyers with a variety of tasks. Some paralegals conduct research. Others draft, edit, and fact check correspondence and legal documents, such as complaints and settlements. Paralegals manage the emails, data, and documents pertaining to a case. Many paralegals use computer software and document management systems to catalog and organize these documents chronologically or by subject matter and to review documents for specific keywords or topics. For trials and hearings, paralegals assist lawyers by arranging and organizing important documents for easy access. In some cases, paralegals may attend trials or hearings along with the lawyers.



Paralegals also help lawyers with administrative and clerical tasks, depending on the firm's needs. For example, they may schedule meetings with clients, file documents, and send correspondence to relevant parties in a case. Paralegals may also specialize in one or two legal areas. For example, they may work in bankruptcy, family law, or immigration. Specific job duties vary by type of law and type of firm, among other factors.

# Legal secretaries

<u>Legal secretaries</u> assist lawyers by handling administrative and clerical tasks, such as answering phones and typing correspondence. They also file and ensure proper indexing of legal documents and materials. Legal secretaries also keep track of filing deadlines and proofread documents. They maintain a lawyer's calendar and client lists, schedule appointments and hearings, and make travel arrangements as necessary.

In addition, legal secretaries may prepare financial reports and invoices by updating lawyers' timesheets and recording the amount of time a lawyer spends on a case. Some legal secretaries report to and assist multiple lawyers working on a variety of cases. Experienced legal secretaries may assist with research by reviewing journals, newspapers, documents, or other resources.

#### Record clerks

Record clerks are responsible for organizing, maintaining, and tracking client and case files in a law firm. Many record clerks help prepare material for storage and retrieval. For example, they may pack or unpack file boxes, take inventory of and index each box's contents, and coordinate pickup from an offsite location. Their aim is to keep stored files accessible. "We make sure everything is labeled correctly and is correct in the system," says Marie Ramos, a records coordinator for a Potomac, Maryland, law firm, "so when attorneys, paralegals, or legal secretaries need a file back, we can get it to them quickly."



Some record clerks manage uploading documents to the law firm's file management system. Record clerks may also check to ensure that potential clients do not cause conflicts of interest for the firm—that is, situations in which the firm would be representing an opposing party or interest. "We run reports that we send to the attorneys," says Ramos. "We need to make sure we don't miss anything." Some record clerks, called court clerks, organize and maintain records for a court of law; prepare the calendar of cases, or docket; and remind lawyers and witnesses about upcoming court appearances. Court clerks also receive, file, and forward documents to the appropriate parties involved in a case.

# Bookkeepers

Bookkeepers are typically responsible for the law firm's financial records. These workers prepare invoices for clients, track overdue accounts, and assist with collecting balances. They also monitor daily activity in the firm's bank accounts, input payroll information, and process checks. Many of these tasks are routine. "About 50 percent of my time is spent processing checks,"

says Lindsay Rials, a bookkeeper for a Phoenix, Arizona, law firm. "The job is mostly data entry."

In addition to entering data in the firm's records system, bookkeepers produce reports for managers about the firm's financial health. These reports help the firm's leadership decide which cases to accept and how to allocate staff efficiently. "I look at how much money a client is bringing in and how much time is spent working on the case



and flag the cases that stand out," says Rials. "We can determine the break-even point of whether a case is worth taking on, financially."

Some bookkeepers handle other administrative tasks, depending on the firm's needs. For example, Tina Kaku, a bookkeeper for a law firm in New York, New York, sometimes opens and closes the office and works the reception desk.

#### Computer occupations

Workers in a variety of computer occupations manage law firms' information technology (IT) and communication networks.

Computer and information systems managers, sometimes known as IT directors, focus on improving a firm's IT networks and systems. These managers provide the resources that lawyers need to serve their clients, says June Huie, IT director for a Wichita, Kansas, law firm. Cloud computing allows lawyers and others to access data, information, and documents at any time through a mobile device, such as a laptop or smartphone. Computer and information systems managers help to reduce the security risks associated with remote access and to ensure that the firm maintains client confidentiality.

Workers in other occupations may oversee the firm's IT systems. Network and computer systems administrators and computer network architects, for example, ensure that email and data storage networks and employees' workstations are properly connected to the firm's computer network. Computer support specialists train users and troubleshoot problems. <u>Database administrators</u> help develop document management systems, using software to organize and securely store legal documents for easy access.



#### General and operations managers

<u>General and operations managers</u>, often known in law firms as legal administrators, oversee the day-to-day operations and management of the firm. "Legal administrators need to find ways to increase efficiency, reduce costs, meet the demands of the clients, and still have the firm provide quality legal services," says Oliver Yandle, executive director of the Association of Legal Administrators in Lincolnshire, Illinois.

Legal administrators primarily supervise the work of the firm's support staff, which may include legal secretaries, record clerks, and bookkeepers. Some legal administrators also hire and train new staff. Law firm managers also oversee the firm's cash flow and operating budget. Some managers are also responsible for sending bills and invoices and receiving payment from clients.

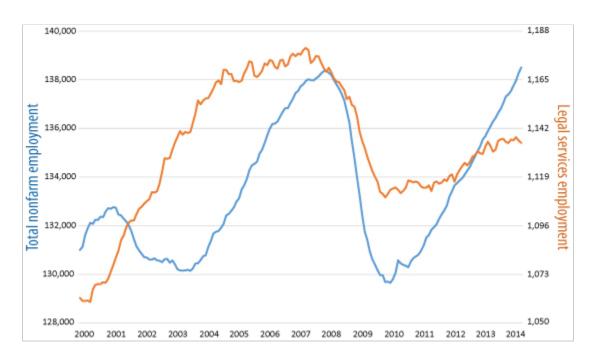
In many firms, legal administrators may help prepare strategic and financial plans to manage budgetary challenges. "When times are tough, you have to work harder to stretch every dollar," says Joan Lyons, an administrator for an East Hampton, New York, law firm. "You have to be very creative in order to do more with less." Legal administrators also ensure that the law firm remains safe, secure, and well maintained. When necessary, administrators order supplies and equipment and renovate office space.

Instead of hiring general and operations managers, some firms hire specialized administrators to oversee a particular department. These workers include <u>administrative services managers</u>, <u>financial managers</u>, or <u>human resources managers</u>.

# Employment, outlook, and wages

BLS data show that the legal services industry had about 1.1 million jobs in 2013. Overall employment declined by about 71,000 between May 2007 and December 2009, around the time of the last recession. Employment in this industry has been slowly recovering, albeit at a slower rate compared with the economy as a whole. (See chart.) From 2012 to 2022, BLS projects the industry to add 88,700 jobs; projections for specific occupations vary.

Chart: Employment in the legal services industry and in total nonfarm industries, 2000-14, seasonally adjusted (in thousands)



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics survey.

Not surprisingly, legal occupations dominate employment in the legal services industry, and many of them are projected to have at least average growth between 2012 and 2022. And all but one of the occupations described in this article had median annual wages that were higher than the \$35,090 median for all workers in May 2013.

# **Employment**

Over half of all lawyers and even greater proportions of paralegals and legal secretaries work in the legal services industry, along with smaller numbers of workers in administrative, business, and management occupations. Lawyers are the largest occupation in the legal services industry. In May 2013, they held about 375,000 jobs in that industry, according to BLS. There were also about 202,900 paralegals and legal assistants and 190,700 legal secretaries employed in the legal services industry.

The administrative, business, and management occupations discussed in this article accounted for another 106,200 jobs in the industry in May 2013. Employment included about 56,100 information and record clerks; 23,900 bookkeeping, accounting, and auditing clerks; 15,500 computer occupations; and 10,700 general and operations managers.

#### Outlook

In response to client pressure, law firms are attempting to reduce costs by improving efficiency and consolidating job duties. Experts say it marks a notable difference in operations. "Law firms are now going through the most significant changes of the past century," says Yandle. These changes are expected to affect employment growth. For example, lawyers and paralegals now do some duties previously assigned to legal secretaries. As a result, both legal secretaries and information and record clerks are projected to experience employment declines in legal services between 2012 and 2022.





In fact, of the occupations discussed in this article, paralegals and legal assistants is the only occupation projected to have faster-than-average employment growth (21 percent) in the legal services industry over the coming decade. A major reason for this expected growth is the cost-effectiveness of paralegals, who can do many of the same tasks that were previously exclusive to lawyers.

Lawyers; bookkeeping, accounting, and auditing clerks; general and operations managers; and computer occupations are all projected to have average employment growth in the legal services industry from 2012 to 2022, ranging from 13 percent for lawyers to 8 percent for computer occupations. Employment growth in these occupations is mainly affected by growth of the industry as a whole.

## **Wages**

In May 2013, median annual wages for occupations in the legal services industry were \$53,180 overall—higher in this industry than elsewhere for all occupations except paralegals and legal assistants (\$45,650 in this industry) and information and record clerks (\$29,040 in this industry).

The wage for legal secretaries in this industry (\$42,560) was about the same as across all industries. Lawyers in legal services (\$117,170) had some of the highest wages in the industry.

The potential for high wages, particularly for lawyers, often attracts people to these occupations. But, as with occupations in nearly all industries, wages vary for a number of reasons, including work experience, location, and the size of the law firm.

#### **Pros and cons**

As in any industry, workers in law firms have likes and dislikes about their jobs. Satisfaction comes from helping clients through difficult situations, but long hours and frustrations can make the work stressful. For example, dealing with clients and managing their expectations can be one of the biggest challenges of working in a law firm. "Some clients call you every day looking for updates on their case," says Ben Lau, a lawyer in Los Angeles, California. "They may not understand that their case is not the only one you're responsible for."



Working in a law firm may also mean long days and unpredictable work schedules. The time commitment and workload can be stressful. "A law office is not static, and there are big time constraints," says administrator Lyons. "There are huge demands that are put on people." For example, firms may require lawyers and paralegals to bill clients for a certain minimum number of hours. To meet the demands of completing their workload, some lawyers and legal support staff must work more than 40 hours per week, including evenings, weekends, or holidays. Administrative and support staff may need to be on call for lawyer assistance, particularly during trials.

And long days can sometimes seem longer when the work is tedious. Lawyers and support staff may have to spend many hours reviewing documents, which can number in the thousands of pages for some cases. But the billable-hour requirement and workload vary by firm type, size, or location. In many firms, lawyers and support staff have the same work-life balance arrangements—such as telework and flexible schedules—that are common in other occupations. Not all workers in law firms have harried schedules, but they still may get frustrated. "Sometimes, my work goes

unnoticed or nobody knows what I do," says bookkeeper Kaku, "but I handle a lot of the little things that make a world of a difference during the day."

Despite these challenges, workers in law firms enjoy dealing with new and interesting legal questions. "There's always some problem or issue I've never seen before," says Lyons. "It's never the same day twice." Workers also enjoy the satisfaction that comes from assisting a client with a change in legal circumstances. "I like that we're helping clients with something difficult in their lives," says Alice Harris, a paralegal for a Louisville, Kentucky, law firm. "There is a lot of satisfaction in this job."

# **Preparation**

There are many ways to get started in the legal services industry. The skill, education, experience, and other requirements vary by occupation.

#### **Skills**

Whether advising clients on a case or training staff in the office, workers in a law firm must be able to communicate clearly. For example, lawyers need to summarize key points of a case effectively and persuasively. "You really must have excellent writing skills and communication skills," says lawyer Lau. "You need to use correct wording. Otherwise, it could cause complications for your case."

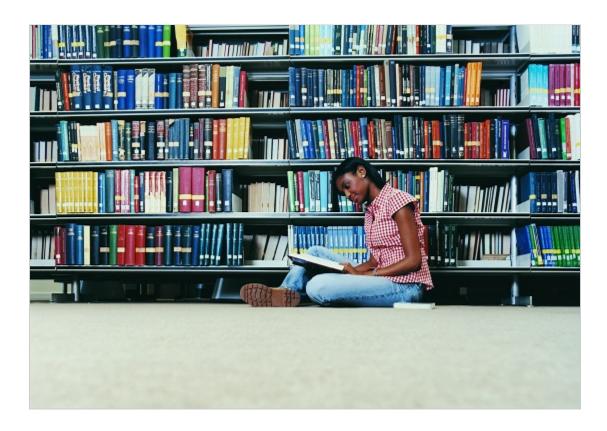
The ability to work well with others is also essential. Law firms typically assign cases to a team consisting of lawyers, paralegals, and legal secretaries, with each worker having different responsibilities. "Other people in the firm rely on your work," says bookkeeper Kaku. "You must be flexible and be able to work as a team." Workers should be organized, focused, and able to prioritize projects, even under tight deadlines. "You must be willing to learn and be able to jump from one task to another if something of higher priority comes across your desk," says Teresa Koch, a legal secretary in Evansville, Indiana. "It's very high pressure sometimes." Attention to detail is also important for working in a law firm, because mistakes can result in consequences ranging from errors of legal fact to unintended dismissal of a case.

#### **Education and training**

Educational requirements vary by occupation, from a high school diploma for legal secretaries to a professional degree for lawyers.

High school diploma. Workers who have a high school diploma can typically qualify to be a legal secretary, bookkeeper, or record clerk. Although law firms may prefer to hire workers who have completed some postsecondary education, high school graduates who have basic office and computer skills usually qualify for entry-level positions. All three of these occupations, however, usually require some type of on-the-job training. Legal secretaries typically need several months of training to learn legal terminology; record clerks and bookkeepers must learn about a firm's recordkeeping and bookkeeping software.

**Associate's degree.** Paralegals typically need either an associate's degree in paralegal studies or a bachelor's degree in any field and a certificate in paralegal studies. Some law firms prefer to hire job candidates who have a bachelor's degree, even if they have no legal education or experience, and train them on the job. Associate's and bachelor's degree programs in paralegal studies usually combine paralegal training, such as courses in legal research and computer applications in the law, with other academic subjects. Some paralegals do not complete a formal program and receive on-the-job training instead.



**Bachelor's degree.** Database and systems administrators and network architects, as well as computer and information systems managers, typically need a bachelor's degree in computer or information science. Although a bachelor's degree is required for some computer support specialist positions, an associate's degree or postsecondary classes may be sufficient for others. These workers generally start out solving simple problems, taking on more complex tasks as they gain experience. General and operations managers typically need a bachelor's degree in finance, business administration, or human resources. They usually do not need additional training on the job to attain competency in the occupation.

**Professional degree.** After earning a bachelor's degree, lawyers usually need a juris doctor (J.D.) degree from a law school that is accredited by the American Bar Association. Law school typically includes coursework in subjects such as contracts, tax law, and legal research and writing. Lawyers do not need additional training to qualify for entry-level jobs. But to become a lawyer, law school graduates must be licensed and admitted to the bar. Specific requirements for practicing law vary by state and jurisdiction.

# **Experience and more**

For some jobs in law firms, work experience in a related occupation is either required or recommended. In addition to needing a bachelor's degree, for example, IT directors and general and operations managers usually must have 5 years or more of work experience in a related occupation. Some managers and IT directors get experience working outside the legal services industry, but others start in support occupations in a law firm. For example, IT director Huie credits her experience as a paralegal with helping her to understand how IT systems are used in a firm—and how to enhance them. "You can't just go buy any software," she says. "You have to have an idea of the business aspect of the firm."

Getting experience in a law firm may be helpful for aspiring lawyers, too, even though it is not required. Because attaining a law degree requires a big commitment of both time and money, some lawyers encourage prospective law students to work or volunteer in a law firm so they understand a lawyer's day-to-day responsibilities. "You have to know what the lifestyle is like and what the work is like," says Lau. Herrera agrees. "Definitely work at a law office before you make a decision" to go to law school, she says. "If you attend law school, network like crazy at the beginning." Networking is especially important in a competitive job market.

The challenges and stresses of work in a law firm may not be for everyone. But for others, law firm work leads to a satisfying career. "I've worked with many of the same people for 20 years, and we all have the same goal: to get the best results for our clients," says Huie. "If you find a good firm, it's a very good life."

## For more information

The occupations discussed in this article are among many in law firms. Others include accountants and auditors, human resources specialists, and librarians. To learn more about these occupations, as well as hundreds of others, visit the <u>Occupational Outlook Handbook</u> (OOH). OOH profiles provide descriptions of the work, typical entry requirements, wages, employment outlook, and more.

For detailed information about wages and employment by industry, state, and area, see the occupation profiles available from the <u>Occupational Employment Statistics</u> program.

Visit the American Bar Association (ABA) website for directories of ABA-approved <u>paralegal education programs</u> and <u>law schools</u>.

For state-by-state details about licensing requirements for lawyers, visit the National Conference of Bar Examiners.

For data on employment and salaries for recent law school graduates, visit the <u>National Association for Law Placement</u>.

For details about legal training courses for paralegals and legal secretaries, visit the <u>Association for Legal</u> Professionals.

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