

# Oakland Community College Legal Assistant (LGL) Program Labor Market Analysis (May 2001)

## The Industry

### 1. How does the industry define the occupation?

- A legal assistant or paralegal is a person, qualified by education, training or work experience who is employed or retained by a lawyer, law office, corporation, governmental agency or other entity and who performs specifically delegated substantive legal work for which a lawyer is responsible.

*(American Bar Association Description, amended August, 1997)*

### 2. Is there an industry movement or preference to use the title 'paralegal' as opposed to legal assistant?

- The National Federation of Paralegal Associations (NFPA) agrees with the position of the American Bar Association (ABA) that the titles 'paralegal' and 'legal assistant' are interchangeable; however, NFPA prefers the title 'paralegal' to reflect the diversity of its membership and of the profession. NFPA describes categories of paralegals to include;

- Traditional Paralegal: Works with supervision by and/or accountability to a lawyer. Most paralegals today fall under this category.

- Freelance/Contract Paralegal: Works as an independent contractor with supervision by and/or accountability to a lawyer.

- Independent Paralegal: Sometimes referred to as a 'court appointed special advocate (CASA) or agency representative, who can represent clients with no attorney representation.

*(National Federation of Paralegal Associations Development Handbook, Feb.1996)*

### 3. In what industries do individuals in the profession typically work?

- Law offices 80%
- Local government 5%
- Federal government 5%
- State government 3%
- Finance, insurance, real estate 5%

Sometimes paralegals work as freelance legal assistants, and provide contract services to attorneys or corporate legal departments.

*(Occupational Outlook Handbook, 2000-01 Edition)*

4. *Is the industry cyclical in nature?*

- It does not seem to be. 74% of legal assistants typically work in private law firms, 12% in corporations, 8% in government and 2% are self employed. These figures have remained relatively consistent from 1993 to the present.  
*(National Association of Legal Assistants, 2000 National Utilization and Compensation Survey Report, June 2000).*

5. *How prominent is the industry in OCC's regional market? What is its growth rate within this region?*

- There were 1,590 paralegals registered in the Detroit Metropolitan Statistical Area (MSA) in 1996 and 2,230 legal assistants are expected to be employed here in 2006. This represents 640 additional jobs in the legal assistant field over a 10 year period, or 64 jobs per year, representing a 4% growth rate.  
*(Occupational Employment Forecasts, 1996-2006, Michigan Department of Career Development, Employment Service Agency- Labor Market Information, March 2001).*

6. *What other industries/government regulations impact the profession?*

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## The Occupation

### 1. *How are specific job titles/occupations defined within the industry?*

- Legal assistant clerk - performs clerical tasks such as document numbering, labeling folders, filing and other non-legal tasks.
- Specialist – provides special services to clients based on particular training and expertise, such as nurse consultants, environmental technicians and CPA's.
- Legal assistant/paralegal – assist attorneys in the practice of law by taking on tasks which include research, document analysis, cite checking and drafting documents such as certificates, corporate transactions, pleadings, coordinating document production, administering trusts and estates, assisting with pension plan administration, assisting with real estate transactions, and handling substantive functions in practice areas that don't require a law degree.
- Senior legal assistant- often specializes in a specific practice area and can supervise and/or train others.
- Working manager/supervisor- spends part of their time supervising legal assistants and the remaining time working as legal assistants.
- Legal assistant manager- responsible for recruiting, interviewing and hiring legal assistants. Often trains staff, monitors work assignments, and handles personnel, financial and administrative matters.  
*(Legal Assist Management Association's Job Descriptions)*

### 2. *What is the typical career path within the profession?*

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### 3. *Are these positions entry level or more advanced?*

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4. *What are the common Standard Occupation Codes (SOC) and Standard Industrial Code (SIC) designations for the profession?*

- The Standard Occupation Codes (SOC) are as follows:  
28300 – Legal assistants and technicians, except clerical  
28305 – Paralegals  
28306 – Title examiners and searchers  
28499 – All other legal assistants  
*(The Michigan Jobs Commission, Bureau of Labor Statistics Occupation, 2001)*
- The Standard Industrial Codes(SIC) are as follows:  
  
7389 Paralegal Service  
8111 Legal Aid Service  
*(Occupational Safety and Health Administration, U.S. Department of Labor)*

5. *How many people are employed in the profession with in OCC's regional market?*

- There were 1,590 paralegals registered in the Detroit Metropolitan Statistical Area (MSA) in 1996 and 2,230 are expected to be employed here in 2006.  
*(Occupational Employment Forecasts, 1996-2006, Michigan Department of Career Development, Employment Service Agency- Labor Market Information, March 2001).*

6. *What is the future occupational demand for the profession within OCC's regional market? What is the projected rate of growth?*

- The need for paralegal professionals in the Detroit MSA is expected to increase 40% over a 10 year period, or 4% a year.  
*(Occupational Employment Forecasts, 1996-2006, Michigan Department of Career Development, Employment Service Agency- Labor Market Information, March 2001).*

7. *What is driving the demand within the profession (technology, growth, turnover, retirement, regulations)?*

- Growth is due primarily to increased use of paraprofessionals to reduce costs and increase the availability of legal services. Furthermore, the growth in legal action in consumer protection, the environment, safety and an expected increase in prepaid legal service should spur employment opportunities.  
*(Occupational Outlook Handbook 2000-01 Edition)*

8. *Lawyers generally bill their clients for paralegal services (as opposed to clerical services). Does this present an ethical dilemma with paralegals being asked to do work that is more clerical in nature?*

- It is generally accepted that when paralegals perform *legally substantive work* [emphasis added] on legal matters, attorneys bill their clients for the paralegals' time, while duties clerical in nature are considered overhead. The ABA Model Code of Professional Responsibility and ABA Model Rules of Professional Conduct set forth the factors which shall be considered in determining the reasonableness fees for paralegal services:

- that the paralegal's time and services are accurately recorded;
- that the tasks performed by the paralegal for which compensation is sought are *legally substantive* and not clerical;
- that the individual performing the tasks is qualified as a paralegal through education, training and/or work experience; and
- that the rate of compensation sought is comparable to the rate of compensation generally sought in that locale and market.

The issue of whether and how paralegal time is charged to the client becomes the attorney's obligation. Truth in billing remains the attorney's ethical obligation since the attorney has the direct relationship with the client and the ultimate authority concerning methods, amounts and descriptions used in billing practices with clients.

*(Canon 2 of the NFPA Model Code of Ethics and Professional Responsibility)*

9. What is the expected salary range within the profession?

Different sources quote somewhat different figures, but are generally in the same range;

- The national annual compensation average for legal assistants is \$40,474, up from \$36,435 in 1977. Those with an Associates Degree tend to be at the lower end of the scale at \$38,231 and those with the CLAS credential are often above \$48,000.

*(National Association of Legal Assistants, 2000 National Utilization and Compensation Survey Report, June, 2000).*

- SOC Code Paralegals (28300) and Legal Assistants (28305) have a mean hourly wage of \$19.84 and an annual mean of \$41,280 in Michigan.

*(Michigan Department of Career Development, Employment Service Agency- Labor Market Information, March 2001).*

- The 2000 National Compensation Survey presents another perspective:

<b>Title</b>	<b>Annual Salary (Mean)</b>
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Legal Assistant Manager	\$75,481
Working Manager/Supervisor Specialist	\$62,614
Legal Assistant Coordinator	\$62,540
Senior Legal Assistant	\$60,146
Legal Assistant/Paralegal	\$52,124
Legal Assistant Clerk	\$38,077
	\$26,825

*(Legal Assistant Management Association's 2000 National Compensation Survey)*

- Salary.com takes salary averages from compensation surveys, government data and trade publications. It reports paralegal salaries in the Detroit MSA to be as follows, compared to the national average.

<b>Area</b>	<b>Low</b>	<b>Median</b>	<b>High</b>
Michigan – Detroit	\$38,909	\$44,821	\$51,161
United States	\$35,436	\$40,820	\$46,565

*(Salary.com, April 2001)*

*10. What is the typical gender/race breakdown within the profession?*

- Male 27%
- Female 73%
- Caucasian 90%
- African American 8%

*(Occupational Outlook Handbook 2000-01 Edition)*

*11. What are some common duties of the legal assistant?*

- The most common functions that legal assistants perform on a daily basis are to draft correspondence, manage casework, calendar deadlines, automate systems and computers, draft pleadings and other legal documents, tend to office matters and assist with client contact.

*(National Association of Legal Assistants, 2000 National Utilization and Compensation Survey Report, June, 2000).*

*12. What are some of the common challenges facing the profession?*

- Often, administrative and clerical tasks are assigned to the legal assistant instead of substantial legal work. Attrition rate is generally 11% or higher.

*(Law Office Management and Administration Report, New York, April 2001, Response to Industry and Compensation survey)*

*13. What is the average length of time a legal assistant stays with their current employer?*

- 1-5 Years 53%
- 6-19 Years 23%
- 11-15 Years 12%
- 16-20 Years 7%
- Over 20 Years 5%

*(National Association of Legal Assistants, 2000 National Utilization and Compensation Survey Report, June, 2000).*

*14. What associations support the profession?*

- National Association of Legal Assistants  
306 Townsend  
1516 S. Boston, # 200  
Tulsa, Oklahoma 74119                      918-587-6828  
[www.nala.org](http://www.nala.org)
- National Federation of Paralegal Associations  
PO Box 33108  
Kansas City, MO 64114      816-941-4000  
[www.paralegal.org](http://www.paralegal.org)
- American Bar Association; Standing Committee on Legal Assistants  
750 North Lake Shore Drive  
Chicago, IL 60611  
[www.abanet.org/legalassts](http://www.abanet.org/legalassts)
- American Association for Paralegal Education  
PO Box 40244  
Overland Park, KS 66204  
[www.aafpe.org](http://www.aafpe.org)
- Consortium for Advanced Legal Education (CALE)  
4002 Defender Drive  
Roswell, GA 30075  
888-233-2019  
[www.cale.org](http://www.cale.org)  
*(Occupational Outlook Handbook, 2000-01 Edition)*

*15. Does the profession have a professional code of conduct?*

- In 1993 the National Federation of Paralegal Associations created and adopted a Model Code of Ethics and Professional Responsibility (NFPA Model Code) which provides paralegals with ethical guidelines and standards for professional conduct to which every paralegal should aspire. In 1996, NFPA adopted the Model Code of Ethics and Professional Responsibility and Guidelines and Enforcement to oversee the process.  
*(NFPA Paralegal Responsibilities, Feb. 1996)*



## Education/Training

### 1. What is the required/preferred level of education within the profession?

- Increasingly, employers prefer graduates of 4-year paralegal programs or college graduates who have completed paralegal certificate programs.

*(Occupational Handbook 2000-01 Edition)*

- The National Federation of Paralegal Associations, Inc, (NFPA) recognized that a two year degree in paralegal studies is acceptable to employers in some markets as the minimum criterion for individuals to enter the legal profession. However, they recommend that future practitioners have a four-year degree to enter the profession, with at least 24 semester hours of legal specialty courses.

*(National Federation of Paralegal Associations, Inc. Paralegal Responsibilities, February, 1996).*

### 2. What are the professional certifications within the occupation?

- Voluntary professional certifications include:

A Certified Legal Assistant (CLA) is one who successfully completes a two- day exam given by the National Association of Legal Assistants.

A Registered Paralegal (RP) is one who has a bachelor's degree, two years of experience and has passed the Paralegal Advanced Competency Exam.

*(Occupational Outlook Handbook, 2000-01 Edition)*

### 3. What skills/knowledge are essential for individuals to possess in order to be successful within the profession?

- Paralegals must be intelligent with an analytical and logical mind, and should be able to recognize and evaluate relevant facts and legal concepts. Paralegals have the ability to organize, analyze, communicate and administer. Other interpersonal skills that serve paralegals are resolving conflicts, negotiating and relating well with various types of people, who are often in distress.

*(NFPA Paralegal Responsibilities, Feb. 1996)*

### 4. How does the industry currently train its employees?

- In the past, two-year degrees in paralegal studies was acceptable to employers as the minimum criterion to enter the paralegal profession. In recent years, however, it is recommended that future practitioners have a four-year degree. Individuals receiving a formal paralegal education should have 24 semester hours or the equivalent of legal specialty courses to enhance their skills. In addition, on the job training still remains an important element in developing successful paralegal professionals.

*(National Federation of Paralegal Associations Handbook)*