



## News from Altman Weil, Inc.

For Immediate Release

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### **2003 SURVEY ON PARALEGAL COMPENSATION IN LAW FIRMS AND LAW DEPARTMENTS RELEASED**

(Newtown Square, PA, May 27, 2003) — The *2003 Annual Compensation Survey for Legal Assistants/Paralegals and Managers* has just been released. The survey was conducted by Altman Weil Publications in partnership with the Legal Assistant Management Association (LAMA).

“Paralegal compensation is just one more area that law firms and law departments are examining as the economy contracts,” notes Altman Weil Principal, Daniel J. DiLucchio. “It’s a balancing act to control costs while still paying competitive wages that will attract, motivate and retain top talent, and this survey provides a depth and breadth of data to aid in that process.”

#### **Salary and Bonus**

Nationally, the average salary for Legal Assistant Managers (the most senior position surveyed) was \$83,609 in 2003, up 3% from 2002. Legal Assistants/Paralegals (paralegals without supervisory responsibility) earned an average \$46,674 in 2003, up 5.1% from the prior year. Legal Assistant Clerks brought home \$31,907, also up 5.1%. Annual bonuses added between 5.2% and 9.1% to average salaries in 2003, increasing with level of responsibility and expertise.

#### **Overtime is the Wildcard**

Overtime is the wildcard in paralegal compensation, the Survey found. Average overtime compensation for a Working Manager/Paralegal Supervisor in 2003 was \$17,736 (on top of an average base salary of \$75,650), with a quarter of all Working Managers reporting over \$23,000 in annual overtime. Senior Legal Assistants averaged \$10,325 in overtime in 2003 and Legal Assistants/Paralegals averaged \$5,669.

Law firm paralegals benefited disproportionately to their law department colleagues on overtime, with 66% of legal assistants in law firms reporting overtime payments compared to only 11% in in-house departments. Law department paralegals who received overtime averaged significantly less per year in those payments across all positions.

“The overtime issue is particularly significant in light of recent interpretations of the Fair Labor Standards Act regarding exempt and non-exempt employees,” DiLucchio comments. “If employers are mis-categorizing some of their paralegal staff as exempt from overtime eligibility, the economic impact clearly could be significant.”

### **Practice Area Specialties**

The Survey found that a paralegal’s practice specialty can dramatically affect compensation. For example, for the Legal Assistant/Paralegal position, IP practice work yielded 25% higher average total cash compensation than work in a law firm’s Insurance practice. Other high-paying paralegal practice specialties were Securities, Banking and Corporate, according to the Survey.

### **Billable Hours and Rates**

The Survey found average billing rates between \$160/hour for Legal Assistant Managers and \$80/hour for Legal Assistant Clerks in law firms. Rates increased with size of organization across all positions. Average billable hours for all legal assistant positions ranged from 1,168 to 1,597 per year, with managers billing fewer hours than more junior staff.

### **Data Collection and Reporting**

The *2003 Annual Compensation Survey for Legal Assistants/Paralegals and Managers* is based on data collected in 2003 from 289 law firms and 67 law departments and encompasses a total of 9,683 legal assistant positions. Of participating law firms, 18.7% had 400+ attorneys; 25.6%, 100-399; 30.8%, 20-99; and, 24.9% had 20 or fewer attorneys. Reporting law departments ranged from 23.9% with 50+ attorneys; 25.4% with 20-49; 25.4% had 10-19 attorneys; and, 25.4% had less than 10 attorneys.

The Survey reports on seven distinct paralegal positions from the most senior Legal Assistant Manager to Legal Assistant Clerk/Project Assistant. Law firm and law department data is reported cumulatively and comparatively. Data was collected on salary, overtime, bonus, total cash compensation, benefits, billable hours, and billing rates – and is reported by position and stratified by type of organization, size of organization, location, exempt/non-exempt status, years in the profession, and practice area where applicable.

The Survey is available from Altman Weil Publications for \$395. Orders and inquiries may be made by calling 1-888-782-7297 or by visiting the Altman Weil’s online store at <https://store.altmanweil.com>.

Altman Weil Publications, Inc. conducts and publishes numerous surveys on the legal profession including the *Survey of Law Firm Economics*, the *Managing Partner and Executive Director Survey*, and the *Law Department Compensation Benchmarking Survey*. For additional information visit our website at [www.altmanweil.com](http://www.altmanweil.com).

The Legal Assistant Management Association promotes the development, professional standing and visibility of legal assistant management professionals. More information on LAMA can be found at [www.lamanet.org](http://www.lamanet.org).

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