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Class of 2018 Employment Outcomes Approach Pre-Recession Levels

Employment Rate Continues to Improve

Total Number of Law Firm Jobs Increases for First Time in Five Years

Washington (DC) — The National Association for Law Placement (NALP) today released its *Employment for the Class of 2018 – Selected Findings*, a summary of key findings from the upcoming annual *Jobs & JDs: Employment and Salaries of New Law School Graduates — Class of 2018* report, anticipated for release in October 2019. This year’s Selected Findings show an employment rate that has improved for the third year in a row, increasing to 89.4% of graduates for whom employment status was known, compared with 88.6% for the Class of 2017. Despite the rise in the overall employment rate, the number of jobs found by graduates declined again this year, by about 150 compared with the Class of 2017.

“The employment outcomes findings for members of the Class of 2018 are strong and, along with the findings for members of the Class of 2017, clearly mark the beginning of a new post-recession cohort. The employment outcomes for this class more closely resemble employment outcomes measured in the years before the recession than they do the classes that graduated between 2009 and 2013 in the immediate aftermath of the recession,” noted James G. Leipold, NALP’s executive director. “Certainly, the overall employment rate has improved because of two intertwined factors. First, and most importantly, the smaller graduating class has meant that there is less competition for the jobs that exist. Second, large law firm hiring has increased steadily since 2011, adding more than 1,900 jobs in seven years.”

Selected Findings — Other Highlights

- For the first time in five years the overall total number of law firm jobs increased, albeit by just 21 jobs from 16,390 for the Class of 2017 to 16,411 for the Class of 2018, a 0.1% improvement. This increase can be attributed to the growth in the number of jobs in the largest firms of more than 500 lawyers, which increased by approximately 160 jobs compared with the Class of 2017. However, the number of entry-level jobs at these firms is still down by more than 400 positions compared with the peak hiring measured with the Class of 2008.
- Notwithstanding these job gains at the largest firms, law firms with between 251 and 500 lawyers now provide only half the number of jobs compared with before the recession, just 966 jobs for members of the Class of 2018, compared to 1,815 jobs for members of the Class of 2007.
- The percentage of jobs in private practice was measured at 54.8%, very close to the norms of 55-58% that were consistently measured for more than 30 years prior to the recession. That percentage has now increased for seven years in a row after bottoming out at 49.5% for the Class of 2011.
- The national median salary for the Class of 2018 was flat at \$70,000 for the second year in a row and still shy of the median starting salary of \$72,000 for the Class of 2009. The national mean salary for the Class of 2018 was \$98,150, up 3.0% when compared to \$95,320 for the Class of 2017.
- The mean law firm salary increased 3.5% to \$123,900 compared to \$119,740 for the Class of 2017. The effect of the new Big Law starting salaries of \$190,000 can be seen in the national median salary at law firms, which, based on reported salaries, climbed to \$120,000, the fourth increase in a row. Salaries of \$190,000 accounted for 24.1% of reported law firm salaries and salaries of \$180,000 still accounted for 13.4% of reported law firm salaries. Their

combined total is similar to the 37% of law firm salaries for the Class of 2017 that were reported as \$180,000.

- The percentage of graduates who secured full-time, long-term, bar passage required work was measured at nearly 71%, higher even than the rates measured before the recession.
- The percentage of jobs reported as part-time has declined for seven years in row, and now stands at 4.5% of jobs, compared with 5.4% for the Class of 2017. As a result, the figure is now comparable to that of 2007 and the years immediately prior.
- Public service jobs, including military and other government jobs, judicial clerkships, and public interest positions, accounted for 30.5% of jobs taken by employed graduates, compared with 29.9% in 2017. Although this percentage has remained relatively stable for more than 30 years, at 26-30%, the 2018 figure, at over 30%, is among the highest recorded.
- Of employed graduates from the Class of 2018, 13.2% were seeking a different job, the lowest percentage since 2002, and down from the record high of 24.6% for the Class of 2011.
- For the Class of 2018, the percentage of law firm jobs that are solo practice was 2.0%, the lowest on record.
- Despite the relative strength of the job market for new law school graduates, at 8.3%, the unemployment rate ten months after graduation remains higher by nearly three percentage points than before the recession.

“Obviously, any significant economic interruption or slowdown could once again depress legal employment numbers for future classes, though the Class of 2019, now post-bar exam and in the job market at the time of this writing, is also likely to post strong employment outcomes. Rising law school enrollment could also certainly put downward pressure on the employment prospects for future classes, and it is unlikely that the current jobs environment could support a graduating class of anything over 40,000,” said James G. Leipold, NALP’s executive director. “All of that suggests cautious optimism is in order, with an eye to the sky for ill winds and the understanding that independent of whatever happens with the national and global economies, the legal services sector continues to be in the midst of dramatic change that will be ongoing, and will, in the end, change the job market for law school graduates in ever more dramatic ways. Ten years from now the employment profile of the graduating Class of 2028 is likely to look quite different from the Class of 2018.”

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NALP’s employment and salary findings for the Class of 2018 are based on data submitted from all 200 law schools that were recognized by the ABA in the United States, not including the three schools in Puerto Rico, at the time that class graduated. The full text of “*Employment for the Class of 2018 — Selected Findings*” can be found at www.nalp.org/classof2018. The findings of NALP’s *Employment Report and Salary Survey for the Class of 2018* will be provided in much greater detail — including salary detail and analyses of employment and earnings by geographic market — in *Jobs & JDs: Employment and Salaries of New Law School Graduates — Class of 2018* — to be published in October 2019.

About NALP

NALP is an association of over 2,500 legal career professionals who advise law students, lawyers, law offices, and law schools in North America and beyond. What brings NALP members together is a common belief in three fundamental things. First, all law students and lawyers should benefit from a fair and ethical hiring process. Second, law students and lawyers are more successful when supported by professional development and legal career professionals. Third, a diverse and inclusive legal profession best serves clients and our communities. That’s why NALP members work together every day to collect and publish accurate legal employment data and information, and champion education and standards for recruiting, professional and career development, and diversity and inclusion. For more than 40 years, NALP has played an essential role in the success of our members and the lawyers and law students they serve. NALP maintains an online archive of press releases at www.nalp.org/pressreleases. For additional information about NALP research, contact Danielle A. Taylor (dtaylor@nalp.org), Director of Research or James G. Leipold (jleipold@nalp.org), Executive Director.
