

Paralegals

Market Overview

2009 has witnessed some of the toughest economic conditions in a generation and a financial crisis stemming from 2008 that has pushed the UK into recession. Against this backdrop law firms of all sizes have felt the effects. There have been many well publicised redundancies across a variety of firms across the UK as Law Firms have had to react to the drop off in work levels. Initiatives to retain staff are plentiful ranging from reducing hours, reducing salaries and offering flexibility. Firms have also been reviewing trainee recruitment with the deferment of training contracts for this year.

Commercial property and residential conveyancing remain becalmed and from the latter part of 2008, corporate and banking teams felt the squeeze as funding all but dried up. Traditionally in times of economic hardship, litigation and insolvency work has risen and whilst these specialist areas have remained relatively busy, there has not as yet been the upsurge in work that many would have predicted.

Against this rather bleak picture there have been some practice areas that have acted as a real counterbalance and are busy. Employment departments report high utilisation rates as they deal with a raft of redundancy and restructuring matters. Similarly, those practices that have strong insurance litigation capabilities are finding business is brisk. There remains a genuine demand for high quality defendant PI lawyers, especially those in niche areas such as insurance fraud. Likewise, health and safety/regulatory is seen as a growing area and lawyers with this skills base have found that they are more marketable than most.

Paralegals

The paralegal market continues to grow year on year as employers see the advantages of taking on a highly motivated, flexible and cost effective resource on what tend to be key projects. Paralegals are required at all levels, from LPC graduates to Paralegal Manager within law firms, and salaries vary to reflect this, starting at £20,000 and increasing to £35,000+, depending on experience.

The majority of paralegal roles are historically within heavy documentation teams and projects such as major pieces of litigation and big banking/finance and corporate transactions. However on the back of cost drive efficiencies we are starting to see an increasing number of roles within more specialized practice groups, such as IP/trademarks, construction and personal injury.

Within commercial organisations paralegals are normally required to assist with areas of commercial law, most usually contract review and negotiation - more experienced paralegals in this area often become Contract Managers where salaries can increase to the equivalent of a recently qualified lawyer.

Due to more adverse market conditions, we are finding that a lot of employers are offering candidates temporary roles or 6-12 month fixed term contracts bringing even greater options around staffing flexibility.

As there are far more candidates in the market at the moment, expectations and requirements are very high. An LPC qualification, 2:1 law degree and ABB at A-Level is a typical minimum standard. Another consequence of the change in the market is that competition for roles is at an all time high – hence the need for a very strong academic background and good paralegal experience. Paralegals also need to be very flexible with their expectations, especially salary, due to the current downturn.

Benefits and Trends

Over and above a basic salary, in some sectors paralegals are entitled to overtime. In law firms, paralegals can often earn excellent overtime rates as they tend to support busy lawyers working long hours. Paralegals working in house do not normally receive overtime payments but their standard benefits packages can be more attractive than their counterparts in law firms. Within banking and finance sectors some paralegals may be entitled to a bonus but this will depend entirely on the organisation and trading climate.

Law Firms & In-House – Paralegals

Paralegals	Experience			
	Graduate	1 year	2 years	Experienced
London Range (£)	20-23,000	23-27,000	25-30,000	28-40,000
US Firms Range (£)	22-25,000	25-31,000	28-35,000	31-40,000
South East Range (£)	18-22,000	21-25,000	24-38,000	27-35,000
South West Range (£)	14-18,000	15-22,000	20-26,000	25-35,000
Midlands & North Range (£)	14-18,000	15-22,000	17-25,000	25-35,000

Legal Executives	Trainee	Member	Fellow
London Range (£)	19-24,000	30-45,000	38-60,000+
South East Range (£)	18-23,000	30-40,000	36-55,000+
South West Range (£)	15-20,000	19-40,000	28-55,000+
Midlands Range (£)	15-20,000	19-40,000	28-55,000+
North Range (£)	15-20,000	19-40,000	28-55,000+

Law Firms & In-House – Paralegals

Investment Banking - Derivatives/ISDA - Capital Markets	Experience			
	0-6 mths	1 year	2 years	Experienced
London Range (£) Typical (£)	22-27,000 25,000	30-40,000 36,000	40-50,000 45,000	50,000 + 50,000

Financial Services	Experience			
	0-6 mths	1 year	2 years	Experienced
London Range (£) Typical (£)	20-23,000 21,500	23-27,000 25,000	27-34,000 30,000	34,000 32,000
US Firms Range (£) Typical (£)	18-22,000 20,000	21-25,000 23,000	25-30,000 27,000	29,000 + 30,000

Commerce & Industry	Experience			
	0-6 mths	1 year	2 years	Experienced
London Range (£) Typical (£)	19-21,000 20,000	21-26,000 24,000	26-31,000 28,000	30-35,000 32,000
US Firms Range (£) Typical (£)	17-20,000 18,000	20-25,000 22,500	22-28,000 25,000	27-35,000 30,000