

# **AGENDA ITEM**

## **III G MAY 2017**

**DATE:** May 5, 2017

**TO:** Members, Regulation and Discipline Committee  
Members, Board of Trustees

**FROM:** Dag MacLeod, Director, Office of Research & Institutional Accountability  
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**SUBJECT:** Five-Year Member Survey: Attorney Employment Trends, Career Path, Practice Areas and Specialization Patterns

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### **EXECUTIVE SUMMARY**

In January 2017 the State Bar sent a survey to the entire e-mail list of active and inactive attorneys in the state of California seeking information on the practice of law in California with the goal of informing Board policy-making. This report provides an analysis of the data focusing on trends in attorney employment, the career paths of attorneys, practice areas and patterns of specialization.

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### **BACKGROUND**

Every five years since 2001 the State Bar has surveyed California attorneys to collect basic information on the practice of law in the state. In 2016, with the guidance of the Committee on Stakeholders, Access to Justice and Appointments, Bar staff reorganized the survey to focus it more sharply on the regulatory and disciplinary functions of the Bar. Bar staff sought input from stakeholders in the development of the survey and presented a draft to the Board of Trustees for review prior to finalization.

In addition to sharpening the focus of the most recent survey, the Bar also brought the process of developing and analyzing the survey in house. Rather than hiring a consultant to conduct the survey, staff in the Office of Research and Institutional Accountability (ORIA) deployed the final survey, cleaned the data and presented a preliminary analysis of the findings at the January 2017 planning meeting of the Board of Trustees.

Although over 17,000 attorneys responded to the on-line survey, not all of the responses were complete. Much of the analysis that follows is based on a little more than 14,000 responses that included information on the age and the year that the attorney was admitted to the Bar. By grouping the respondents into unique cohorts based on age, it is possible to look at differences in employment patterns across different age groups.

## **DISCUSSION**

Bar staff have written the report that follows and will present additional detail related to the survey at the meeting of the Committee on Stakeholders, Access to Justice and Appointments.

## **Five-Year Member Survey - 2017**

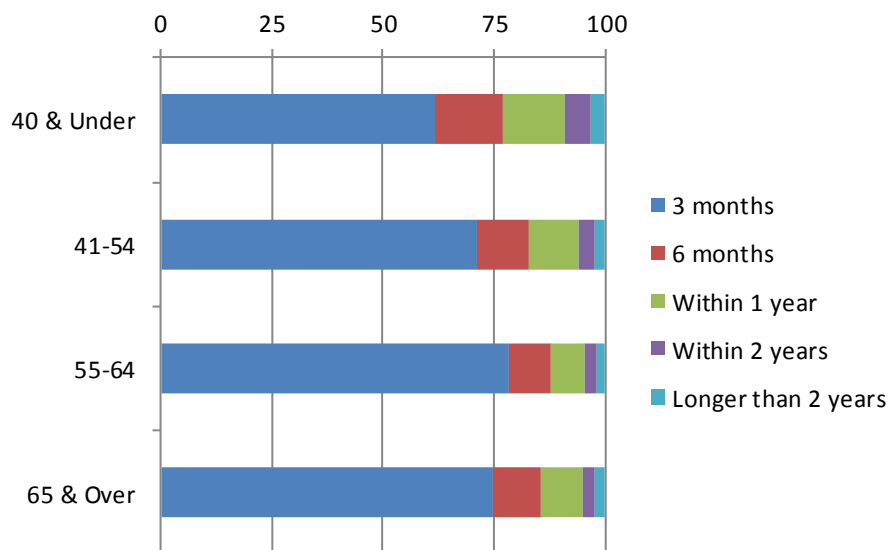
### **Survey Results Related to Trends of Attorney Employment, Career Path, Practice Areas, and Specialization Patterns**

Of the more than 14,000 attorney responses that provided information on age and the year when they were admitted to the Bar (representing 85% of total responses), the survey data capture nearly five decades of changes in the legal profession in terms of employment opportunities after law school graduation, sectors and firm types, practice areas, and changes in career path. In addition to the overall survey results summarizing the data for each question, this research brief is based on a subset of the questions to provide an in-depth look into the relevant issues.

As shown in the table below, recent graduates (ages 40 and under) have experienced the most difficulty in obtaining paid, law-related employment after law school graduation. Only 62 percent were able to find law-related employment within three months of graduation compared to 78 percent for those between the ages of 55 and 64.

**Length of time after law school graduation to obtain law-related paid employment  
Percent by age group**

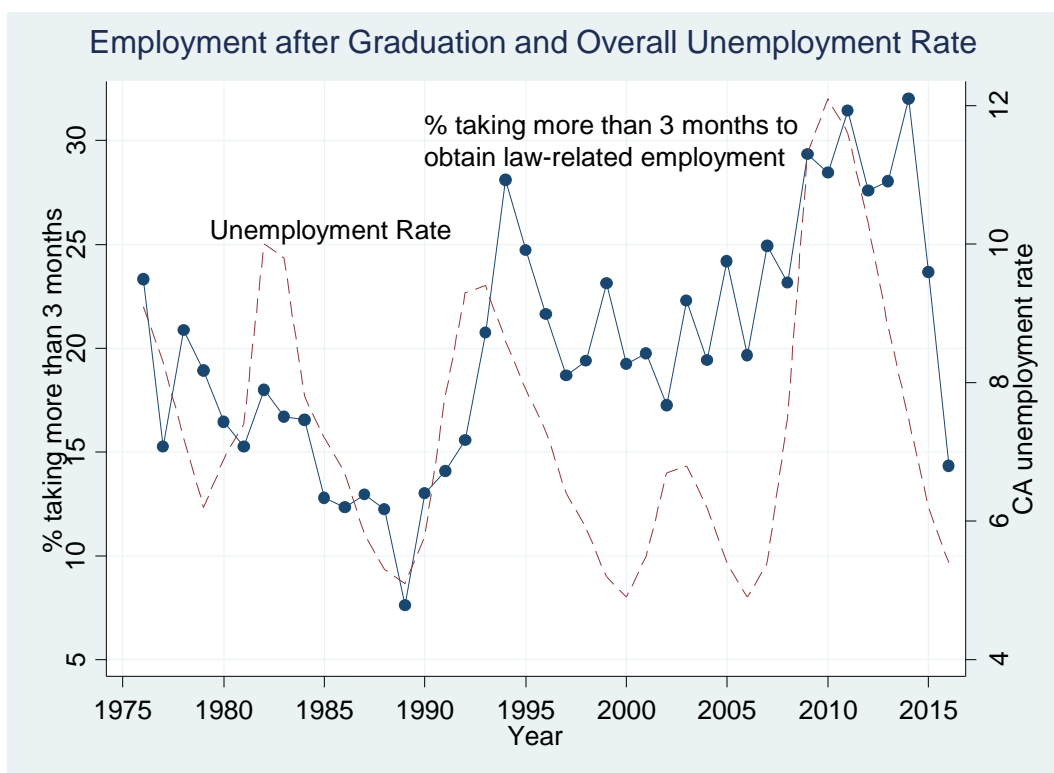
Time after LS Graduation	40 & Under	41-54	55-64	65 & Over	Total
3 months	61.6	71.0	78.2	74.5	71.3
6 months	15.2	11.9	9.4	11.0	11.9
Within 1 year	14.1	11.2	7.7	9.2	10.5
Within 2 years	5.7	3.6	2.8	2.8	3.7
Longer than 2 years	3.4	2.4	1.9	2.5	2.6
Total	100.0	100.0	100.0	100.0	100.0



The chart below shows the proportion of the respondents who took more than three months to obtain law-related employment after graduation (left vertical axis), with the data broken out by the year when they were admitted to the Bar, and plotted against the overall annual unemployment rate in California (right vertical axis). The two trend lines are generally in alignment.

The lowest unemployment rate was in 1989 at 5.1 percent; it coincides with the smallest percentage of respondents (7.6%) who took more than three months to find law-related employment after graduation.

In contrast, 32 percent of the respondents admitted to the Bar in 2014 took more than three months to find law-related jobs. 2014 was three years after the unemployment rate reached its peak at 11.6 as a result of the Great Recession in 2007 and 2008. Those admitted to the Bar in the past two years have seen significant improvement in the job market as reflected in the declining percentage of attorneys who took more than three months to find law-related jobs.



Employment patterns differ across cohorts not only in terms of overall opportunity in the legal job market. The patterns also differ in terms of the sectors or types of firms in which attorneys are employed. The two tables below show the firm or organization types in which respondents were first employed after graduation and their current employment.

- Younger attorneys are much more likely to have begun their careers in a larger firm than older attorneys;
- Older attorneys are much more likely to currently be solo practitioners than younger attorneys;
- The proportion of attorneys initially employed in small firms is relatively constant across cohorts.

### Employment Type after Graduation by Age Group (%)

Employment Type	40 & Under	41-54	55-64	65 & Over	Total
Solo practice	6.6	6.5	9.7	13.6	9.2
Small firm	33.4	32.3	36.4	36.5	34.7
Medium firm	5.7	11.5	12.3	8.2	9.4
Large firm	22.7	22.3	16.1	6.1	16.5
Corporate in-house	4.5	3.8	4.3	6.3	4.8
Non-profit organization	6.8	4.1	2.9	3.6	4.4
District Attorney	2.6	3.5	3.2	4.7	3.6
Public Defender	2.4	2.9	2.0	2.2	2.4
Court	6.9	6.6	5.9	4.9	6.0
Other Government	6.9	5.8	7.0	13.1	8.4
Academic	1.3	0.6	0.5	1.0	0.9
Total	100.0	100.0	100.0	100.0	100.0

### Current Employment Type by Age Group (%)

Employment Type	40 & Under	41-54	55-64	65 & Over	Total
Solo practice	9.8	20.7	30.7	49.6	26.3
Small firm	27.7	23.2	22.2	21.4	23.8
Medium firm	6.5	4.6	4.8	5.5	5.4
Large firm	13.5	10.0	9.8	8.1	10.5
Corporate in-house	12.5	14.5	11.0	4.5	10.9
Non-profit organization	7.4	4.3	3.0	1.9	4.3
District Attorney	3.0	2.9	2.8	0.7	2.4
Public Defender	3.1	2.1	1.6	0.7	2.0
Court	3.0	2.2	2.1	1.4	2.2
Other Government	12.3	13.7	10.6	4.3	10.6
Academic	1.2	2.0	1.6	1.9	1.7
Total	100.0	100.0	100.0	100.0	100.0

While we see significant differences in patterns of employment and firm types across cohorts of attorneys, the table below shows a different pattern in terms of the broad employment category by sector.

To begin, a large majority of attorneys begin their careers in the private sector and report that they are still in the private sector in their current employment. Approximately 75 percent of all attorneys surveyed who found work in a law related position began their careers in the private sector. Sixty-seven percent of respondents who are employed in a law-related position indicated that they are currently working in the private sector.

Looking at the career trajectory of attorneys, we can also look at changes from initial sector of employment following graduation to the sector in which attorneys report they are currently employed.

Reading the table below from left to right allows for an examination of changes from the sector in which attorneys were employed upon graduation to the sector in which they are currently employed. For example, out of all attorneys who went into the private sector upon graduation, 86 percent remain in the private sector with 10 percent moving to government employment, two percent to non-profit, and just over one percent to academic employment. In contrast, out of all attorneys who began their careers in government, only 46 percent remain employed in government while an equal number moved into the private sector.

For those who started their career in non-private sectors, a significant proportion also moved to private sector in their current employment.

### Career Change Across Sectors from Graduation to Current Employment

*Shift from initial to current (row %)*

Sector at Graduation	Current Employment				Total
	Private	Government	Nonprofit	Academic	
Private	86.6	10.1	2.0	1.4	100.0
Government	46.7	46.4	4.8	2.0	100.0
Nonprofit	36.8	18.6	40.6	4.0	100.0
Academic	52.1	12.3	1.4	34.3	100.0
Total	76.7	17.3	4.2	1.9	100.0

The table below shows the various practice areas selected by the respondents who are currently employed in the private sector (with more than one choice allowed). The shifts among the age groups are significant in many areas, with the direction of the change indicated in the first column.

### Practice Area Choices, % by Age Group

Change*	Practice Area	40 & Under	41-54	55-64	65 & Over	Total
	Business	44.5	42.9	43.8	41.0	43.1
	Other Areas**	29.4	31.7	32.5	30.3	31.0
○	Real Estate	16.7	19.6	25.9	27.5	22.4
○	Personal Injury	17.1	17.5	20.1	17.1	18.0
●	Intellectual Property	18.3	19.3	14.8	9.2	15.5
○	Probate	9.4	11.2	14.1	20.9	13.9
○	Appellate	11.6	12.2	14.4	11.8	12.5
○	Family Law	8.8	10.0	10.1	14.0	10.7
○	Criminal	6.5	8.5	8.5	9.7	8.3
●	Labor Relations	9.9	9.1	7.4	5.6	8.0
○	Taxation	4.9	4.2	6.1	7.9	5.8
	Workers Comp	4.5	4.2	5.1	4.9	4.7
	Elder Abuse	3.1	3.4	4.1	3.9	3.6
●	Immigration	5.2	4.5	2.3	2.5	3.6
○	Legal Malpractice	2.2	2.7	4.0	3.5	3.1
○	Insolvency	1.9	2.2	4.4	3.3	2.9
	Disability Rights	2.6	2.5	2.1	2.2	2.4
	Juvenile Dep	0.9	1.0	1.0	1.5	1.1
○	Juvenile Del	0.3	0.8	0.6	1.3	0.7
○	Military Law and	0.3	0.8	0.4	0.7	0.5
**Extracted and categorized from "Other" answers with greater than 1 percent total response.						
●	Employment	5.8	5.1	3.0	2.2	4.0
○	Estate Planning	2.5	3.4	3.2	4.3	3.3
○	Insurance	1.4	1.7	3.1	1.8	2.0
○	Construction	0.9	2.0	1.8	1.5	1.5
	Entertainment	1.6	1.1	0.8	1.2	1.2
	Health Care	1.5	1.1	1.0	0.9	1.1
	Environment	1.1	0.9	1.4	0.9	1.1

\*Statistically significant changes at 5% confidence level, with either ● Increase or ○ decrease in younger cohorts.



In addition to the differences in practice areas across cohorts, the different age groups also exhibit differences in the number of practice areas that they report working in. Generally, younger attorneys are less likely to be engaged in multiple practice areas. While 42 percent of all respondents selected only one practice area, among the youngest cohort, those under the age of 40, 46 percent selected only one practice, compared to 39 percent for those over the age of 65.

When other factors are taken into consideration, it appears that age is not, by itself, the sole reason for the differences in the number of practice areas across cohorts. Instead, the differences across age groups appears to be related to the differences in firm types in which different cohorts are employed. Older attorneys are more concentrated in solo practice which appears related to selecting more than one practice area. Conversely, with a smaller percentage of younger attorneys employed as solo practitioners, fewer of the younger cohort are likely to select more than one practice area.

#### Number of Practice Areas by Age Group (%)

# of Practice Areas	40 & Under	41-54	55-64	65 & Over	Total
1	45.7	42.7	40.0	38.8	41.8
2	28.6	27.9	27.2	28.7	28.1
3	14.9	17.0	16.7	18.2	16.7
4 +	10.7	12.3	16.1	14.3	13.4
Total	100.0	100.0	100.0	100.0	100.0

