

# 2013 National Utilization and Compensation Survey Report

## Section 4 Compensation

Based on Data Collected: 4<sup>th</sup> Quarter 2012

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#### NALA 2013 National Utilization and Compensation Survey Report

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#### Section 4 Compensation

This section provides the findings of NALA Utilization and Compensation Survey related to paralegal salaries and compensation (defined as base salary plus bonus). This section also provides responses to questions regarding benefits available to paralegals.

In consideration of this, or any data relating to compensation, keep in mind that average, or mean, values are presented. At best, these values only approximate real world situations. Data describing salary and compensation vary by many factors, most notably experience, geographic location, and size of firm. Therefore, the numbers are most useful for charting professional trends and changes rather than for direct comparison to any specific situation or person.

In this report, the data describing compensation is presented in relation to geographic location, educational backgrounds, size of firm, experience and years with current employer. The following table provides information about the relationships of these factors to salary and compensation levels. To understand this table, the highest possible relationship expressed in terms of a correlation coefficient is .99, indicating that a relationship between two factors is almost indistinguishable. Likewise, a correlation coefficient of .00 indicates that two factors are not related at all. A test of statistical significance was not conducted on these correlations.

Table 4.1

Correlations to Salary and Compensation
of Factors Relating to Respondents Demographics

of Factors Kelating to Kespondents Demographics						
Factor	Correlation to Salary	Correlation to Compensation				
Population of City	.235	.242				
Years on Current Job	.164	.161				
Years of Experience	.298	.291				
Size of Firm - Number of Attorneys	.161	.141				
Size of Firm - Number of Paralegals	.169	.148				
CP Credential	177	171				
Advanced Certified Paralegal Credential	.106	.112				
Level of General Education	.2	.178				

Table 4.2 Compensation, and Bonus Average Values Survey Years 2012-2000

Year	Total Comp	Salary	Bonus
2012	57,388	54,376	4,501
2010	54,755	52,188	3,093
2008	50,953	48,211	3,808
2004	46,862	44,373	3,393
2002	46,074	43,002	2,909
2000	40,474	37,946	2,449

Table 4.3 Average Salary and Compensation by Professional Activity

Activity	Average Salary	Average Compensation*
NALA Member	\$54,269	\$57,425
Non Member	\$54,447	\$57,403
CP Certification	\$55,285	\$58,476
Non CLA	\$51,525	\$54,248
ACP Certification	\$60,374	\$64,971
Non Advanced Certified	\$53,812	\$56,786
National Average	\$54,376	\$57,388

<sup>\*</sup>Compensation is computed by adding salary and bonus amounts.

Table 4.4 Schedule of Increases (N=1299)

Schedule	Responses	Percentage
Every three months	2	0%
Every six months	11	1%
Once a year	820	63%
No set schedule	403	31%

Table 4.5 Annual Salary Ranges- General Findings

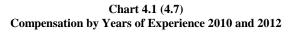
Range	Responses	Percentage
Less than 20,000	19	1%
20,001 - 25,000	29	2%
25,001 - 30,000	37	3%
30,001 - 35,000	60	5%
35,001 - 40,000	140	11%
40,001 - 45,000	130	10%
45,001 - 50,000	153	12%
50,001 - 55,000	156	12%
55,001 - 60,000	168	13%
60,001 - 65,000	122	9%
65,001 - 70,000	76	6%
70,001 - 75,000	72	6%
75,001 - 80,000	37	3%
> 80,000	102	8%

Table 4.6
Total Compensation Ranges- General Findings

Range Responses Percentage						
Kange	Kesponses	rercentage				
Less than 20,000	20	2%				
20,001 - 25,000	25	2%				
25,001 - 30,000	32	2%				
30,001 - 35,000	56	4%				
35,001 - 40,000	103	8%				
40,001 - 45,000	136	10%				
45,001 - 50,000	129	10%				
50,001 - 55,000	145	11%				
55,001 - 60,000	155	12%				
60,001 - 65,000	132	10%				
65,001 - 70,000	97	7%				
70,001 - 75,000	78	6%				
75,001 - 80,000	43	3%				
>80,000	152	12%				

Table 4.7
Annual Salary and Compensation by Total Years of Legal Experience

Years	2012 Average Salary	2012 Average Compensation	Responses	2010 Average Salary	2010 Average Compensation	2008 Average Salary	2008 Average Compensation
1 - 5 Years	\$37949	\$38867	138	\$37282	\$38908	\$37511	\$38960
6 - 10 Years	\$49218	\$51484	189	\$43747	\$45488	\$43944	\$46929
11 - 15 Years	\$51850	\$54347	180	\$51227	\$53948	\$48193	\$51580
16 - 20 Years	\$55220	\$58952	240	\$54128	\$57175	\$52100	\$54842
21 - 25 Years	\$60713	\$65075	178	\$58774	\$61466	\$51403	\$53473
Over 25 Years	\$61058	\$64552	364	\$59923	\$63097	\$55142	\$59038



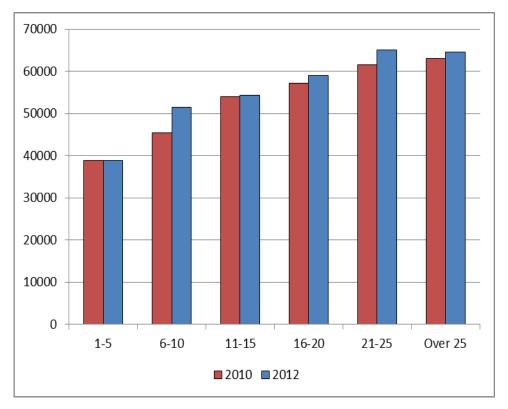


Table 4.8 Annual Salary and Compensation by Years on Current Job

Years	2012 Average Salary	2012 Average Compensation	Responses	2010 Average Salary	2010 Average Compensation	2008 Average Salary	2008 Average Compensation
1 - 5 Years	\$50219	\$52719	576	\$49008	\$51592	\$45487	\$47531
6 - 10 Years	\$56752	\$60502	316	\$53000	\$55509	\$50947	\$54733
11 - 15 Years	\$58186	\$61746	181	\$55446	\$57196	\$50160	\$53247
16 - 20 Years	\$57359	\$60139	115	\$57002	\$59289	\$53844	\$57336
21-25 Years	\$59672	\$62219	52	\$57612	\$60834	\$53183	\$57497
Over 25 Years	\$59736	\$64135	55	\$60891	\$65556	\$57283	\$64174

Table 4.9
Annual Salary and Compensation by
Type of Paralegal Education

Type of Laranegar Education						
Paralegal Education	Average Salary	Average Compensation	Responses			
Undergraduate Certificate	\$57026	\$62585	140			
Post Baccalaureate Certificate	\$56403	\$58631	200			
Associate Degree	\$53399	\$56413	428			
Bachelor Degree	\$50387	\$52436	117			
Master Degree	\$62203	\$65196	7			
Other	\$54287	\$57048	136			
None	\$54631	\$57733	265			

Table 4.10 Annual Salary and Compensation by Highest Educational Degree

ingliest Educational Degree						
Highest Educational Degree	Average Salary	Average Total Compensation	Responses			
High School	\$54295	\$58467	168			
Associate Degree	\$53064	\$56277	401			
Bachelor Degree	\$54809	\$57447	605			
Master's Degree	\$57464	\$60927	104			
Ph.D.	\$46156	\$47031	8			

Table 4.11
Annual Salary and Compensation by Region

Region	2012 Average Salary	2012 Average Compensation	Responses	2010 Average Salary	2010 Average Compensation
Region 1 - New England/East	\$51981	\$54285	55	\$45488	\$46642
Region 2 - Great Lakes	\$54124	\$56860	67	\$49390	\$51183
Region 3 - Plains States	\$48876	\$51697	170	\$49106	\$51511
Region 4 - Southeast	\$52639	\$55086	434	\$50410	\$52371
Region 5 - Southwest	\$58110	\$62348	322	\$54285	\$57754
Region 6 - Rocky Mountains	\$51194	\$53948	96	\$50757	\$54032
Region 7 - Far West	\$60371	\$63603	157	\$62417	\$66376

Table 4.12 Average Compensation by Region 2012-2002 Data Compared

2012 2002 Data Compared					
Region	2012	2010	2008	2004	2002
Region 1 - New England/East	\$54285	\$46642	\$52001	\$51479	\$46268
Region 2 - Great Lakes	\$56860	\$51183	\$51001	\$44415	\$41500
Region 3 - Plains States	\$51697	\$51511	\$46920	\$42694	\$38333
Region 4 - Southeast	\$55086	\$52371	\$48995	\$45460	\$42429
Region 5 - Southwest	\$62348	\$57754	\$54227	\$47709	\$44306
Region 6 - Rocky Mountains	\$53948	\$54032	\$44175	\$43609	\$37667
Region 7 - Far West	\$63603	\$66376	\$59787	\$55760	\$55068

Chart 4.2 (4.12)
Total Compensation by Region 2010 and 2012

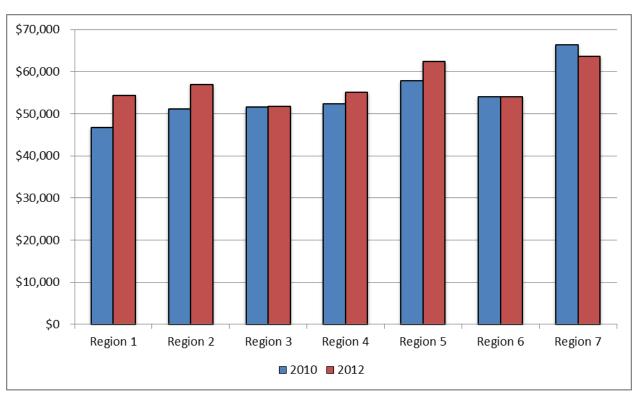


Table 4.13 nnual Salary and Compensation by Number of Attorneys

Annual Salary and Compensation by Number of Attorneys							
Number of Attorneys	2012 Average Salary	2012 Average Compensation	Responses	2010 Average Salary	2010 Average Compensation	2008 Average Salary	2008 Average Compensation
Sole	\$47924	\$50611	177	\$47185	\$49134	\$45481	\$48761
2-5 Attorneys	\$52966	\$56300	415	\$49734	\$52707	\$46914	\$49974
6 - 10	\$53245	\$56278	200	\$54939	\$57823	\$48436	\$51261
11 - 15	\$55555	\$58359	105	\$51763	\$53922	\$47216	\$49671
16 - 20	\$57635	\$61339	84	\$52771	\$55177	\$49190	\$51950
21 - 25	\$58407	\$60664	59	\$52514	\$54687	\$48913	\$51078
26 - 30	\$63794	\$67830	42	\$56488	\$55680	\$52459	\$54251
31 - 35	\$61406	\$63181	32	\$54582	\$55680	\$51174	\$53092
36 – 40	\$57654	\$59675	26	\$56303	\$60050	\$51784	\$54452
41 - 45	\$56438	\$61771	9	\$54375	\$58298	\$55837	\$60869
46 - 50	\$54952	\$60432	23	\$57004	\$60744	\$52594	\$54272
51 - 55	\$56706	\$61509	16	\$60077	\$62494	\$52282	\$55273
56 - 60	\$62600	\$63500	12	\$55663	\$57579	\$50217	\$51387
61 - 65	\$45271	\$46058	8	\$50484	\$52084	\$57627	\$58171
66 - 70	\$52500	\$53417	6	\$60433	\$61600	\$48473	\$51500
71 - 75	\$54833	\$58577	9	\$56857	\$64000	\$52314	\$59314
76 - 80	\$59962	\$64017	13	\$62100	\$63925	\$55470	\$58990
81 - 85	\$53631	\$54672	6	\$70000	\$73600	\$50067	\$51000
86 - 90	\$53378	\$55711	6	\$75296	\$78571	\$58851	\$60801
91 - 95	\$65000	\$66000	1	\$54300	\$54900	n/a	n/a
96 - 100	\$62933	\$66723	10	\$55014	\$57147	\$54632	\$56498
More than 100	\$63104	\$65150	42	\$56606	\$59585	\$48309	\$50605

The following data provides the average compensation levels for paralegals based on the specialty areas of practice.

The survey asked respondents to indicate how much time they spend working in a particular specialty area. Respondents were asked to estimate their time in the following categories:

Less than 20% of the time More than 60% of time; less than 80% More than 20% of time; less than 40% From 80% to 100% of the time

More than 40% of time; less than 60%

The table below compares total compensation within each specialty area on the basis of those who spend less than 40% of their time working in the area, and those who spend more than 40% of their time in the area.

Table 4.14
Total Compensation by Specialty Area of Practice

Area	Average Compensation Greater than 40% time	Average Compensation Less than 40% time	Number of Responses	Average Compensation Total Group
Administrative/government/public	\$58338	\$57779	129	57981
Admiralty/maritime	\$50741	\$52708	7	52546
Aviation	\$71692	\$53961	6	55156
Banking/finance	\$59108	\$55314	58	56414
Bankruptcy	\$53675	\$53585	51	53605
Collections	\$55113	\$51776	37	52347
Corporate	\$63345	\$57350	133	59343
Contract	\$59829	\$56991	122	57902
Criminal	\$46075	\$49419	53	48351
Elder law	\$54628	\$51062	19	51613
Employee benefits	\$54453	\$56299	16	56099
Employment/labor law	\$62421	\$54914	67	56723
Entertainment	\$73974	\$52642	3	53496
Environmental law	\$56093	\$54910	30	55167
Energy/utility	\$67606	\$53778	18	56000
Family law/domestic relations	\$45897	\$49225	89	47773
Immigration	\$55408	\$53536	14	53806
Insurance	\$54462	\$56092	100	55450
Intellectual property	\$61516	\$56956	59	58255
Legislation/lobbying	\$55566	\$50857	9	51303
Litigation-civil	\$57572	\$54282	382	56360
Mass tort litigation	\$54507	\$52470	42	53133
Medical malpractice	\$55471	\$51242	71	52699
Mergers/acquisitions	\$58927	\$59907	15	59808
Multi-state litigation	\$66576	\$53494	23	56023
Native American/tribal	\$30500	\$52434	2	51849
Office management	\$47727	\$55322	40	53966
Oil & gas	\$62973	\$54299	26	56132
Personal injury	\$54058	\$50407	177	52270
Probate	\$51570	\$49677	63	50145
Product liability	\$57703	\$53843	44	54803
Real estate	\$59471	\$52714	101	54757
Securities/antitrust	\$80468	\$53888	17	58072
Social security	\$39294	\$50253	8	49268
Tax	\$57267	\$52037	15	52702
Telecommunications	\$38851	\$50927	3	50480
Trusts & estates	\$52173	\$49135	85	50185
Workers compensation	\$46376	\$53483	42	51767

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The final portion of this section provides a summary of general findings related to benefits.

Employer 1 Tovided Benefits Reported by Responses and 70 of Total					
Do you participate in any of the following?	Yes	No	N/A		
Employers Retirement/Pension Plan	1016	138	137		
	79%	11%	11%		
Employers Profit Sharing	447	395	378		
	37%	32%	31%		
Does your employer contribute to a retirement/pension or profit sharing plan on your behalf?	1041	195	62		
	80%	15%	5%		

Table 4.16
Employer Provided Benefits
Reported in Percentage of Responses

Reported in Percentage of Responses					
Benefit	Yes	No	Partial		
<b>Health Insurance</b>	59%	11%	30%		
Life Insurance	59%	27%	14%		
<b>Dental Insurance</b>	43%	34%	23%		
Disability Insurance	50%	36%	14%		
Free Representation	29%	60%	12%		
<b>Maternity Benefits</b>	46%	44%	10%		
Parking	3%	95%	2%		
Child Care	59%	35%	6%		
Leased Car	4%	95%	1%		
Mileage	58%	39%	3%		
Professional Dues	75%	21%	4%		
Tuition	43%	46%	11%		
For Family: Health Insurance	32%	41%	27%		
For Family: Life Insurance	21%	67%	12%		
For Family: Dental Insurance	29%	50%	21%		
For Family: Free Representation	13%	79%	8%		
For Family: Maternity Benefits	13%	81%	6%		
Vision Insurance	36%	43%	21%		
Health club membership	12%	81%	7%		
For Family: Vision Insurance	26%	56%	18%		

#### The Participants

The data is based on analysis of the responses to the 2012 National Utilization and Compensation Survey which was collected by a web based survey from October 31, 2012-December 7, 2012. There were 1330 responses received and utilized for this report. 4% of the population are males; 96% are females. The average age of survey participants is 46. 67% of the participants are members of NALA; 72% have received the Certified Paralegal credential.

Respondents are from a diverse geographical area. Forty-seven states, the Virgin Islands and the District of Columbia are represented by the population. Among the regions of the United States, the Southeast region was represented by 33% of the respondents; Southwest region was represented by 26%; Far West was represented by 12%; Plains States was represented by 13%; Great Lakes was represented by 5%; Rocky Mountain states were represented by 7%; and New England/Mid East was

represented by 4% of the respondents. The average population of the cities represented is 596,735. The regions and states are defined in the table below.

The respondents have about 20 years of legal experience; 10 years with the same employer. Most (63%) of respondents work for a private law firm, and, of those, 68% work in firms of 1-15 attorneys; 17% of the respondents work for corporations. With reference to educational backgrounds, 47% of respondents have a bachelor's degree; 31% have an associate's degree.

The 2012 National Utilization and Compensation Survey presents information concerning the work environment, practice areas, billing rates and compensation levels of paralegals. Conducted bi-annually since 1986, the survey analysis includes a review of current findings in comparison with findings of previous surveys. Economic data is presented in terms of such factors as size of city, size of firm, educational backgrounds, years of experience, and specialty area of practice.

Previous surveys have asked about duties and responsibilities of paralegals. A Job Analysis study of paralegals was conducted by NALA and results release in May 2012. The survey report and analysis appears on the NALA web site. Consult this for detailed information about on-the-job duties and responsibilities of paralegals, and skills needed for their work.

Region		Number	Percentage	
Region 1 - New E	Ingland/Mid East	57	4%	
Connecticut Maine Massachusetts	Maryland New Hampshire New Jersey	New York Pennsylvania Rhode Island		
Region 2 - Great	Lakes		64	5%
Illinois Indiana	Michigan Ohio	Wisconsin		
Region 3 - Plains	States		167	13%
Iowa Kansas	Minnesota Missouri	Nebraska North Dakota South Dakota		
Region 4 - Southeast			432	33%
Alabama Arkansas Florida Georgia	Kentucky Louisiana Mississippi North Carolina	South Carolina Tennessee Virginia West Virginia		
Region 5 – South	west	•	335	26%
Arizona New Mexico	Oklahoma	Texas		
Region 6 - Rocky Mountains			96	7%
Colorado Idaho	Montana Utah	Wyoming		
Region 7 - Far West			157	12%
Alaska California	Hawaii Nevada	Oregon Washington		

-End of Section 4 of 4-