

2022 NATIONAL UTILIZATION & COMPENSATION SURVEY OVERVIEW

LEVERAGING INDIVIDUAL CAREERS IN THE PARALEGAL PROFESSION

THE PARALEGAL PROFESSION OUTLOOK IS BRIGHT

Since 1986, NALA – The Paralegal Association has conducted research at a national level to better gain insights on the educational backgrounds, work environments, duties and responsibilities, and compensation levels of paralegals. New this year, the study includes further analysis of various demographics including race/ethnicity, veteran status, and disability status along with a dedicated section to assess the impacts of the Covid-19 pandemic. Over the years, this study has been a powerful resource to leverage individual careers in the paralegal profession.

The report is a summary of the findings of the 2022 survey, conducted from July to August 2022. For this year's survey we received 2,868 responses, which represents a 78.5% increase over the number of responses in 2020. The report provides trends since 2014 along with specific 2022 breakdowns. Employment compensation and benefits reflect 2021 data.

According to the Bureau of Labor Statistics, the paralegal profession made up, on average, 338,263 jobs in 2021 with these professionals earning a median salary of \$56,200 (up 9% since 2020). The median hourly wage of paralegals and legal assistants in the United States is \$27.03 per hour. By 2026, the number of paralegals is expected to grow by

6.1% or total 358,819 jobs. Overall, the paralegal profession's job outlook is projected to increase much faster than the average job sector.

DEMOGRAPHICS OF RESPONDENTS

Consistent across studies, most respondents were female (92%), which is not surprising given the majority in the paralegal profession are female. This study resulted in more respondents who were not members of NALA (61%) than prior studies. A little over one-third of respondents are members of other paralegal/legal professional associations and 23% are members of a NALA affiliated association. Roughly 81% of respondents indicated that they have at least a certificate from a paralegal program. Roughly 70% of respondents identified as White or Caucasian.

EMPLOYMENT AND RESPONSIBILITIES

Approximately 90% of respondents identified as being an employee of a company while 5% were self-employed and 5% were students. There have been some significant changes in employment and responsibilities most likely attributing to the impact of the pandemic and ever-changing work culture, which has brought to light how, when, and where employees work. Roughly 20% more employers now offer some type of flexible work arrangement compared to the 2020 report, resulting in 10% more employers offering the option to

telecommute. Although fewer respondents indicated that their duties and responsibilities increased over the last five years, more paralegals are finding themselves working on projects that involve independent judgment (+ 20%) with an increased level of sophistication in the type of work being done (+ 21%) compared to 2020.

Many paralegals are employed by companies while a small percentage is self-employed/business owners (5%). There was an increase in paralegals working in the public and non-profit sectors and fewer working private although the private sector holds most of the work (59%). Almost 40% of paralegals work alongside two to five attorneys while working full-time (30 plus hours).

Consistent across studies, over half of paralegals do not have secretarial (administrative) assistance available to them and this continues to be trending upward. It is rare to find paralegals who supervise others; however, for those who do, they have been paralegals for over 25 years.

When looking into several specialty areas in which paralegals work, roughly 32-38% spend 80-100% of their time in the following specialty areas: Litigation-Civil (38%), Personal Injury (34%), and Criminal (32%).

COMPENSATION AND BILLING

More paralegals find themselves collecting a salary (51%) compared to being compensated hourly. Although paralegals are taking on more independently and finding

themselves working on more sophisticated projects, they continue to average 40 hours a week (billable and nonbillable). Approximately 85% of paralegals work more than their normal working hours throughout the year, but 51% of them reported never receiving overtime pay.

COMPENSATION

Total compensation continues to grow – on average 5% – from 2002 to 2021, which is not surprising as more paralegals report gross salaries of more than \$80,000 (up 9% from 2019). On average, paralegals' 2021 total compensation was \$70,415, which increased by 3% from 2019. Not unexpected, paralegals' total compensation generally increased due to having more years of legal experience and education. For those receiving bonuses, paralegals should anticipate an additional \$5,500 each year as reported by 2022 respondents.

Those living in the Far West continue to see the highest compensation averaging \$73,648 since 2014, while those living in the Plains states average the lowest at \$61,108. On average, paralegals earn 5% more money with a bachelor's degree compared to an associate degree and 7% more money with a master's degree compared to a bachelor's degree.

EMPLOYEE BENEFITS

Roughly three-fourths of respondents indicated that their employers offer a retirement/pension plan and a little over 70% of employers contribute to it. Slightly over half of employers pay for their employees'

conference fees and professional dues at 100%. About 15% of employers offer dental, disability, life, and vision insurance, but do not contribute to their employees' premium. The top three paid benefits to which employers contribute remain consistent across studies: health, dental, and vision insurance.

COVID-19 PANDEMIC

Approximately 88% of respondents indicated that their employment status did not change due to the Covid-19 pandemic, while 12% indicated that it did change. Of those 12%, the top three reasons for change included being laid-off (26%), forced to cut back hours while still maintaining some work (17%), and were temporarily furloughed (10%). Due to the pandemic, 37% of employers now provide a hybrid work arrangement. More than three-fourths of respondents stated that their work hours stayed the same throughout the pandemic.

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