

# 2024 NATIONAL UTILIZATION & COMPENSATION REPORT:

A Comprehensive Overview of Responsibilities, Wages, and Billing within the Paralegal Profession.



### INTRODUCTION

NALA – The Paralegal Association has been the trusted authority on paralegal profession trends for four decades. Since 1986, NALA has conducted the *biannual National Utilization & Compensation Survey*, delivering an unparalleled analysis of paralegal demographics, roles, compensation, billing practices, and workplace challenges. This report stands out for its breadth and depth, offering insights and national perspectives that cannot be found elsewhere. By examining evolving industry standards and the shifting legal ecosystem, this analysis provides a comprehensive snapshot of the paralegal profession, highlighting the critical factors influencing career growth, workplace dynamics, and compensation structures.

Whether you are a paralegal, employer, educator, prospective paralegal, or policymaker, this report is designed for you. Here's what you'll gain:

- Paralegals: Discover compensation trends, career growth opportunities, and insights into workplace challenges.
- Employers: Benchmark roles, responsibilities, and pay structures to enhance recruitment and retention strategies.
- Educators: Align your programs with evolving industry standards to ensure your students' success.
- Prospective Paralegals: Understand job expectations, potential earnings, and how to navigate your career path.
- Policymakers: Identify trends like paraprofessional models to inform policy and regulation.

This report is more than data — it's a roadmap for equity, transparency, and professional advancement within the legal ecosystem. By providing comprehensive, unique insights, NALA empowers all stakeholders to make informed decisions that support the growth and development of the paralegal profession. From industry benchmarks to emerging trends, this report helps shape strategies, policies, and practices that ensure the paralegal role remains vital and adaptable in an ever-changing legal environment.

The following is an Executive Summary of the full 2024 NALA Utilization & Compensation Report released in January 2025. All members of NALA – The Paralegal Association receive this bi-annual report as a member benefit at no additional cost. To access your free member copy or to purchase one as a nonmember, please scan the QR code below.



#### **EXECUTIVE SUMMARY**

This executive summary offers a glimpse into the key findings of NALA's 2024 National Utilization & Compensation Report, highlighting select data points and their potential impacts. While it provides an overview, it is not exhaustive. We encourage you to explore the full report for a comprehensive analysis, including detailed survey results and NALA's key recommendations tailored for paralegals, employers, policymakers, and educators. Delving deeper into the complete findings will equip you with valuable insights to navigate and influence the evolving landscape of the paralegal profession.

## **Paralegal Trends**

The paralegal profession is significantly transformed, influenced by technological advancements, and evolving legal practices. Key developments include:

- 1. Employment Growth: The US Census Bureau indicates there are 376,276 paralegal and legal assistant jobs in the United States, and the number is expected to grow by 5% to 395,294 jobs by 2029, indicating steady demand.
- 2. Al Integration: Artificial intelligence automates legal research and document preparation tasks, potentially impacting traditional paralegal responsibilities.
- Paraprofessional Model: An increasing number of states are permitting paralegals to undertake responsibilities once reserved for attorneys, effectively addressing the expanding workload and complexity within the legal system.

**Potential Impact**: Paralegals who adapt by embracing technological advancements and expanding their skill sets will be well-positioned to thrive in this dynamic environment.

#### **Workplace Challenges**

Paralegals face notable challenges, including workplace culture, wellness/mental health, and lack of respect. Childcare shortages also impact many, particularly Millennials. Additionally, the new qualitative analysis in this report highlights issues such as lack of respect from attorneys, workload management difficulties, and compensation inequity.

**Potential Impact:** Addressing these challenges is essential for improving job satisfaction, retention, and overall productivity within the paralegal profession.

# **Employment**

Flexible work arrangements have increased among paralegals, with 71% now having some form of flexibility—a 13% rise since 2022. Approximately one-third work with 2-5 attorneys, while 12% support teams of 46 or more.

**Potential Impact:** Recognizing these employment trends enables employers to optimize team structures and workload distribution, enhancing efficiency and job satisfaction.

### Compensation

Paralegal billing rates average \$134 per hour nationwide. Since 2002, annual compensation has grown by an average of 6%, with a notable 15% increase from 2022 to 2024—the highest jump recorded since 2002.

**Potential Impact:** Recognizing these compensation trends enables paralegals to make informed career decisions and assists employers in developing competitive salary structures to attract and retain top talent.

# **Compensation Trends by Demographics**

In 2024, male paralegals earned approximately 14% more than their female counterparts, reflecting a broader national gender wage gap. Additionally, white paralegals earned 4% more than their BIPOC counterparts.

**Potential Impact:** Recognizing these disparities is crucial for promoting equity and guiding initiatives to close wage gaps within the paralegal profession.

# **Employee Benefits**

Nearly 75% of paralegals receive employer-contributed retirement or pension plans, a trend consistent since 2018. Additionally, 71% have flexible work arrangements, marking a 13% increase from 2022. Please refer to the full report for a comprehensive analysis of employee benefits within the paralegal profession.

**Potential Impact:** Recognizing these benefits trends enables employers to enhance their offerings, improving employee satisfaction and retention.

# **Limited License to Practice**

In 2024, NALA examined paralegals' awareness and interest in limited licensure programs that authorize non-attorneys to perform specific legal tasks. Findings revealed that nearly 40% of respondents were unaware of such programs, while approximately 62% had some awareness. Notably, **81% expressed interest in pursuing these opportunities**. Please refer to the full report for a comprehensive analysis of limited licensure programs and their implications for the paralegal profession.

**Potential Impact:** Implementing limited licensure programs could significantly enhance paralegals' career advancement, allowing them to undertake responsibilities traditionally reserved for attorneys. This expansion broadens paralegals' professional scope and improves access to legal services for clients with needs that do not require full attorney intervention.

#### Conclusion

In conclusion, NALA's 2024 National Utilization & Compensation Report comprehensively analyzes the paralegal profession, providing invaluable insights for paralegals, educators, policymakers, and employers. Within the report, NALA presents key recommendations tailored to each stakeholder group, fostering professional growth, aligning educational programs with industry needs, informing policy decisions, and enhancing workplace practices.

By implementing these recommendations, stakeholders can drive meaningful change, promote equity, and support the continued development of the paralegal field. We encourage you to explore the full report to understand how you can make a difference in this dynamic profession.



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