



**Developing and Utilizing
Special Expertise in the
Modern Paralegal**

Why Develop Paralegal Skills?

Changing Legal Profession

- Increased Costs (12% to 18% annually)
- Increased Client Sensitivity
- Increased Competition

Advantages of Developing Paralegal Skills

1. Better Client Service
2. Lower Cost to Client
3. Enhanced Lawyer Profits
4. Better Firm Management

Paralegal Defined

Qualified by Education, Training, or Experience

**Delegated Substantive Legal Work
Requiring Knowledge of Legal
Concepts by Attorney**

***Where, Absent the Assistant, Attorney
Would Do the Work***

Paralegal Duties

Research

Investigation

Interviews

Document Review and Management

Discovery Preparation

Case Administration

Trial Preparation

Lower Cost to Client

Document Review (Limited Paralegal Role)

	<u>Hrs</u>	<u>Rate</u>	<u>Cost</u>
Lawyer	100	200	20,000
Paralegal	40	75	<u>3,000</u>
Total Cost:			23,000

Lower Cost to Client (cont.)

Document Review (Paralegal Fully Involved)

	<u>Hrs</u>	<u>Rate</u>	<u>Cost</u>
Lawyer	60	200	12,000
Paralegal	100	75	<u>7,500</u>
Total Cost:			19,500

Client savings = \$3,500

Profitability: The Rule of Three

(maybe three and a half)

$$\text{Revenue} = \text{Salary} \times 3$$

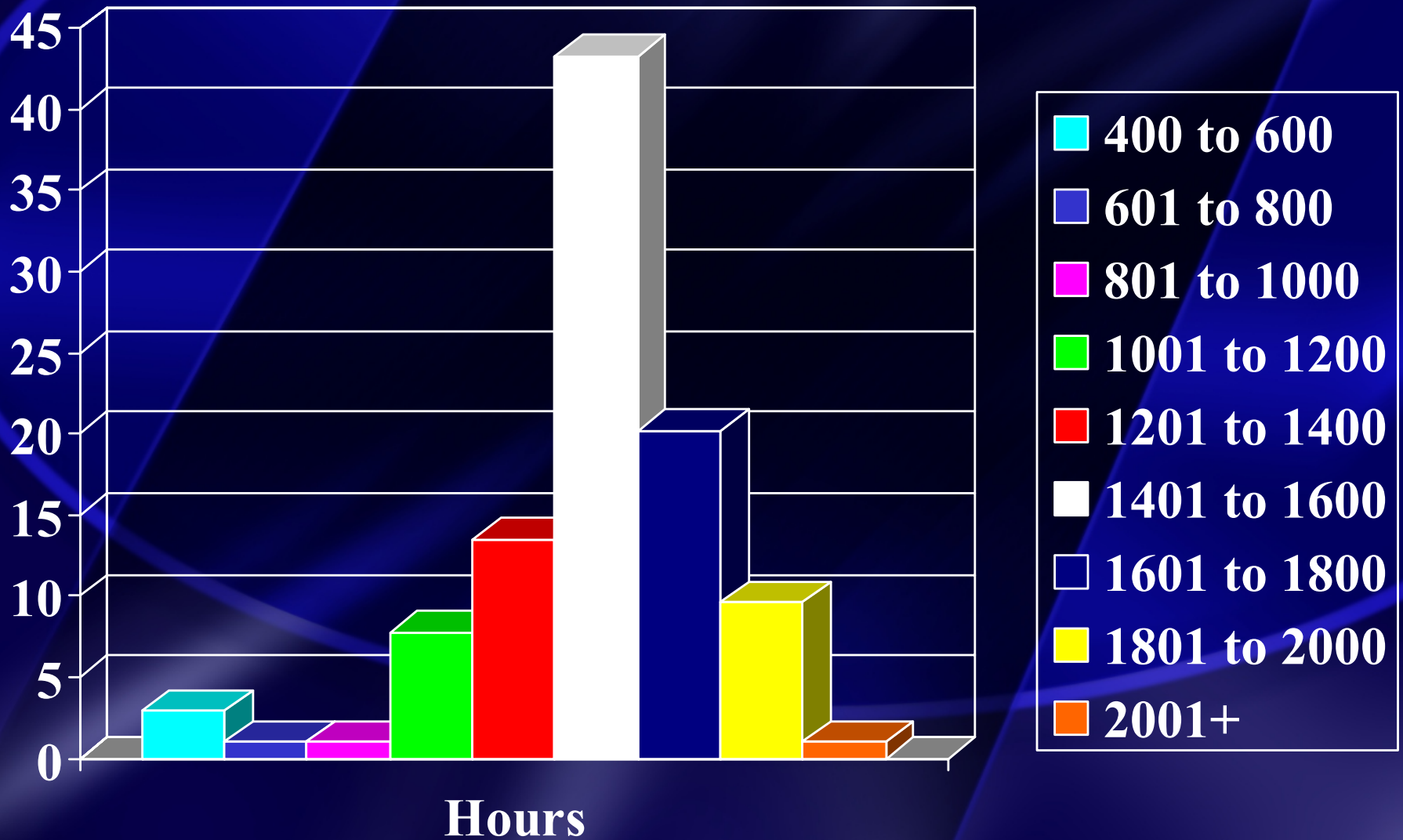
Assumptions:

$$\text{Salary} = 1/3R$$

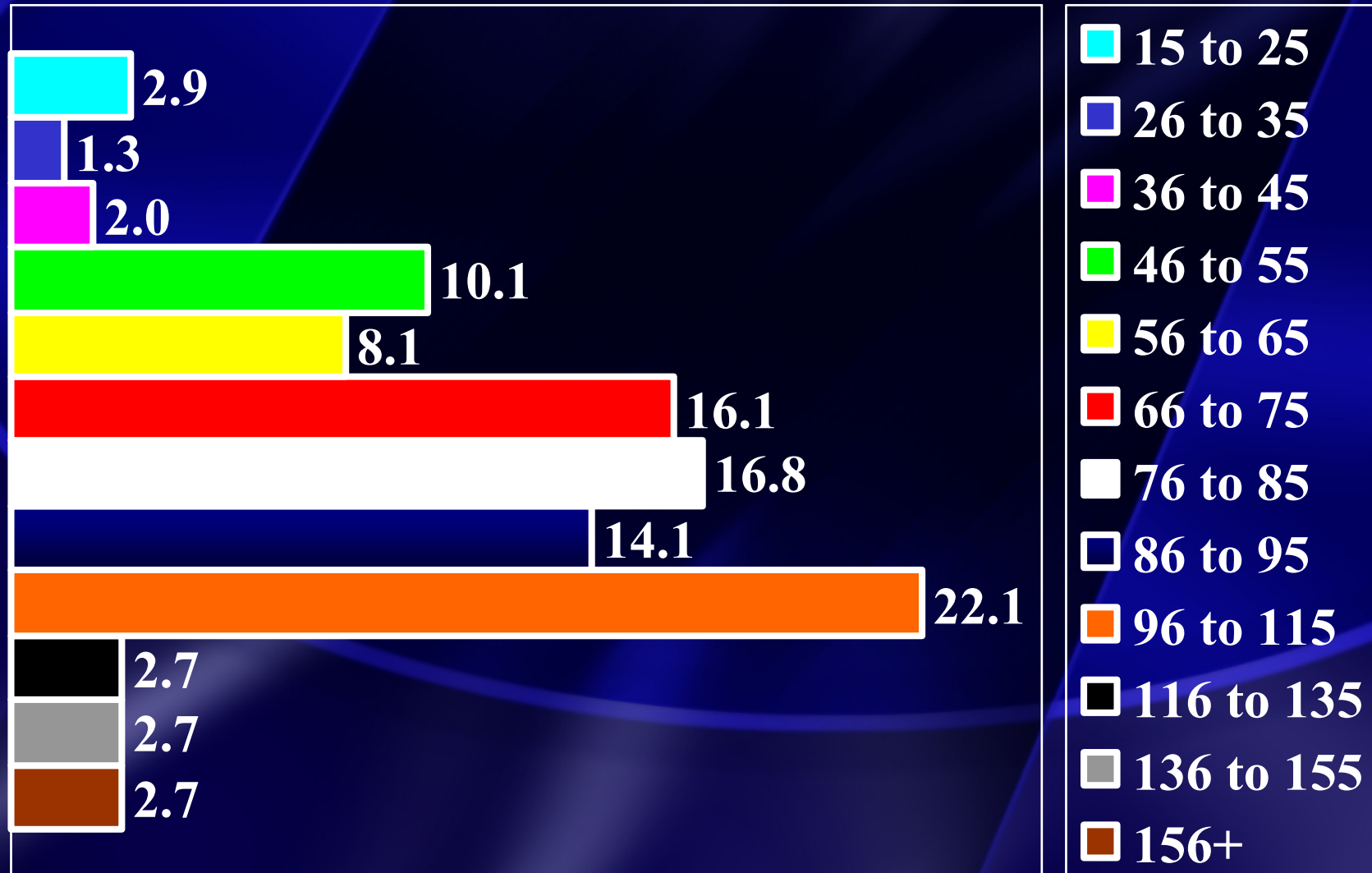
$$\text{Benefits} = 1/3R$$

$$\text{Profit} = 1/3R$$

Billable Hours



Hourly Rates



Exempt Status

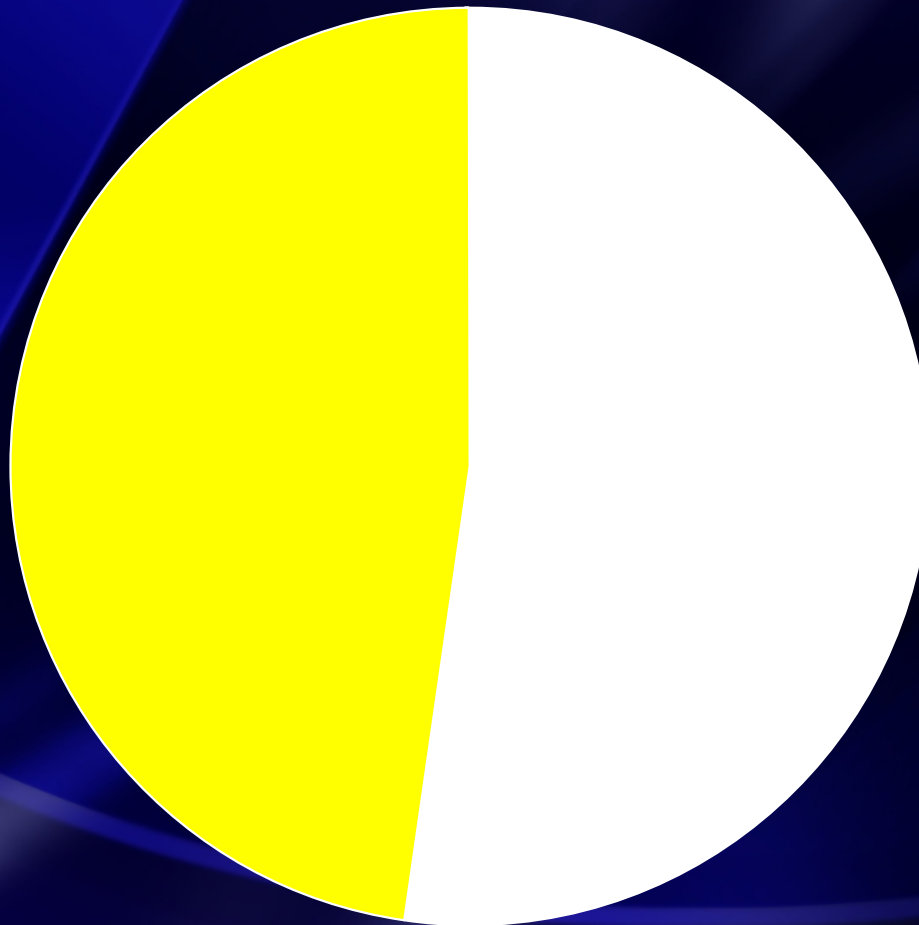
- (1) work that:
 - (a) requires adv. study in specialized field (professional exemption)
 - or*
 - (b) directly related to management policies or general business ops. (administrative exemption)
 - and*
- (2) discretion & independent judgment

Reich v. Page & Addison, PC,
1994 U.S. Dist Lexis 21208,
No. 3:91-CV-2655-P (N.D.Tx.
3/10/94)

**Jury verdict based on the
administrative exemption, not
appealed**

Exempt v. Non-Exempt

Non-Exempt
48%

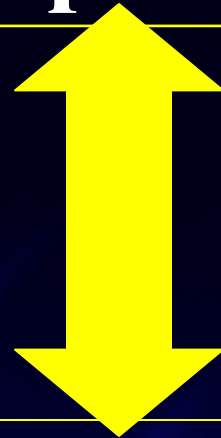


Exempt
52%

The Conundrum

Exempt Status:

Discretion & Independent Judgment



Non-Exempt Status:

Lawyer's Ethical Obligation to Supervise Non-lawyers

Jones, Walker

Offices:	6
Attorneys:	220
Paralegals:	36
Project Assistants:	6

Jones, Walker Paralegals

Qualifications:

4-year college degree

3.2 GPA (min.)

Certificate Preferred

Jones, Walker Paralegals

Salary Scale:

\$22,500 to . . .

Rates:

\$70 to \$110 per hour

Billable Hours:

1,650 per year

Jones, Walker Paralegals

Executive Committee



Professional Employment Committee



Paralegal Coordinator



Paralegals

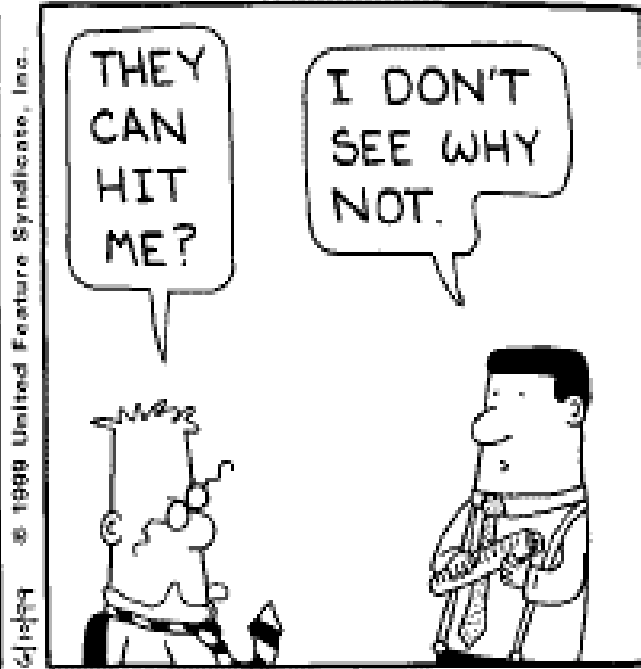
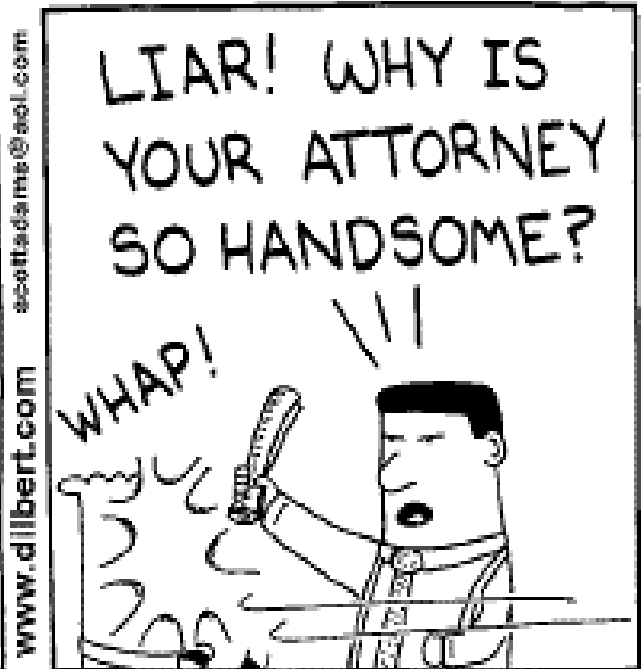
Resources

ABA

Legal Assistant Management Assoc.

**American Assoc. for Paralegal
Education**

**National Federation of Paralegal
Assoc.**



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So, worm, shall I tie you up in litigation?

Yes, please, and make it lengthy and expensive!

Shanahan

MISTRESS DOMINATRA, ESQ.