

Where Have All the Students Gone?

Recent Trends in Law Placement

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In this space, in recent issues, you have learned about the Law School's admissions policies, and have met a number of our students. Now we turn to the other end of the process, placement of our graduates.

It is a good time to make this report. On-campus interviewing for 1987/88 has begun, and all indications are that this will be another very good year for our students. Law placement goes in cycles, just as does the economy, and since 1983 the cycle has been in a definite upward trend.

As an indication of how good the market is, in the last four years the number of on-campus interviews has increased from 159 to 204, 31.4%. The number increased by more than 13% from 1985 to 1986. With interviews just underway for 1987, 225 employers have scheduled interviews during the fall semester alone! Most of these new interviewers represent large firms and corporations located out-of-state. As will be noted later, this may explain two of the most dramatic changes in our placement statistics, the rapid increase in starting salary averages and the declining number of graduates remaining in Wisconsin.

Types of Practice (Table 1)

During 1983-1986, as shown on the attached tables, there were a number of significant changes in the types of jobs accepted by our graduates.

The number of graduates who entered public service positions continued to decline. From a peak of 14% in 1977, there has been a steady decline to the 3% noted for the Class of 1986. This appears to reflect not only a softness in the market but also stronger competition from alternative occupations, usually affording higher salaries.

The percentage entering judicial clerkships has also declined. This statistic bears close attention. Firms that compete with judges are now offering starting salaries as much as triple those offered to clerks. Some firms, recognizing the value of the clerkship, offer post-clerkship bonuses and credit for time towards partnership, but the loss of \$25,000 to

\$50,000 in income immediately out of law school may prove too much a barrier for some potential clerks.

The number of graduates entering general government jobs made a strong increase. In fact, the percentage nearly doubled from 1985 to 1986, and has recovered to the average for the last ten years. The number is still less, however, than in the late 1960's and early 1970's.

Graduates Entering Private Practice (Table 2)

Observers of the legal profession have long noted that the largest firms are growing fastest and, therefore, should be hiring more of our graduates. In fact,



Table 1
Types of Practice

Four year comparison % in ()	1986 1985 1984 1983			
	1986	1985	1984	1983
Private firms	124	122	122	120
Self employed	4	5	12	14
Total	128 (54.7)	127 (60.5)	134 (54.9)	134 (56.8)
Public Service/Interest (incl. legal services, public defender)	7 (3.0)	8 (3.8)	15 (6.8)	9 (3.8)
Business/Corporate	19 (8.1)	19 (9.0)	10 (4.6)	16 (6.8)
Gen. Gov't.	22 (9.4)	11 (4.8)	13 (6.2)	19 (8.1)
Prosecution	12 (5.1)	13 (6.2)	12 (5.5)	12 (5.1)
Judicial clerks	23 (9.8)	23 (10.9)	24 (10.9)	26 (11.0)
Military	4 (1.7)	2 (0.9)	3 (1.4)	6 (2.5)
Class of 1986:	Men	Women	Minorities	
Private firms	79 (54.9)	45 (51.1)	5 (29.4)	
Self employed	4 (2.7)	0	0	
Total	83 (57.6)	45 (51.1)	5 (29.4)	
Public interest/Public service	3 (2.1)	4 (4.5)	2 (11.8)	
Business/Corporate	15 (10.4)	4 (4.5)	2 (11.8)	
Gen. Gov't.	12 (8.3)	10 (11.4)	4 (23.5)	
Prosecutors	7 (4.9)	5 (5.7)	3 (17.6)	
Judicial clerks	11 (7.6)	12 (13.6)	0	
Military	3 (2.1)	1 (1.1)	0	

over the past three years, hiring by firms with less than 26 lawyers has declined while hiring by larger firms has doubled. Since large firms generally pay more than small firms, the average starting salary of our graduates has increased.

Table 2
Graduates Entering Private Practice
Distribution by firm size

	1986	1985	1984
Self-employed	4	4	12
2-10	36	40	52
11-25	16	14	21
26-50	9	6	6
51-100	15	17	12
>100	33	15	20
unknown	15	17	11

Geographic Locations (Table 3)

Members of the Class of 1986 located in twenty-nine states and three foreign countries. Locations with significant increases include Minnesota, California and Illinois. In the last 10 years an average of 14.9 graduates have located in Illinois each year, most in large firms. The total of 25 in 1986 was a 67.7% increase over the average. Four graduates went to Georgia, far more than ever before in that state, although this may be a temporary phenomena.

Perhaps the most significant statistic in this entire report is the continued decline in the percentage of graduates remaining in Wisconsin. Historically 70% of each class has located in-state. In 1985 this figure declined to 62.2%. In 1986 the figure declined again, this time to 53.0%. (An early check on the Class of 1987, with 70% of the class reporting, again notes less than 60% in-state). Increased recruiting by out-of-state employers, and, in many cases, higher salaries out-of-state, may indeed have permanently altered these figures.

While placements in Madison are holding at about one-fourth of each graduating class, Milwaukee has lost ground. Since most of our graduates who have gone to Milwaukee have usually gone with larger firms, these same persons

Table 3
Locations

	1986	1985	1984	1983	# of Alumni
Northeast					
CT	2	0	3	1	31
DC	5	4	7	6	170
DE	1	0	0	0	5
MA	2	0	0	0	44
MD	3	0	0	0	78
NH	0	1	2	0	11
NJ	1	0	1	1	42
NY	4	13	4	12	186
PA	1	1	0	0	52
RI	0	1	0	1	4
VT	1	1	0	0	5
Southeast					
FL	3	2	1	2	129
GA	4	1	0	0	23
KY	1	1	1	1	13
LA	0	1	0	0	11
MS	0	0	1	0	4
NC	2	1	0	1	15
TN	0	1	0	0	17
VA	1	0	0	1	94
Midwest					
IL	25	18	7	14	470
IN	1	1	1	0	37
KS	1	0	0	0	16
MI	1	4	2	2	94
MN	14	8	10	4	175
MO	1	0	1	1	37
OH	3	2	0	4	70
WI	116	135	151	169	5072
	(53.0)	(62.2)	(70.2)	(69.5)	
Madison	51	50	54	78	
	(23.3)	(23.0)	(25.1)	(32.1)	
Milwaukee	28	30	40	57	
	(12.8)	(13.8)	(18.6)	(23.5)	
Southwest & Mountain					
AZ	1	0	4	1	75
CO	2	2	4	2	79
MT	0	1	1	0	10
NV	0	3	0	0	24
TX	3	5	6	4	95
West					
AK	1	0	0	1	16
CA	10	3	4	4	358
OR	1	0	1	2	46
WA	5	1	3	2	64
Misc/Foreign	3	2	0	0	

may now be going to larger firms out-of-state. Starting salaries may not be the primary factor, however, since large firm starting salaries in Milwaukee are at least competitive with other locations and may be higher considering the cost of living.

Starting Salaries (Table 4)

Ranges of starting salaries for major categories of employment are shown here, together with approximate averages for 1986 and 1985. While the lower end of most ranges has remained stable, the average in every category increased over the last year. Large firm starting average increased 8.6% compared to a range of increases from 4.6-6.5% for other categories. This disparity appears to be increasing, as large firm salaries are reported to have increase more than 13% from 1986 to 1987.

Class Average Salaries (Table 5)

With an increase in the number of persons located outside of Wisconsin, an increase in the number joining large firms and an increase in the salaries offered by large firms, it is no surprise that the average and median starting salaries went up. What may be surprising is the amount of the increase: Average salary was up 10.4% while the median increased a full 20%! But, there may not be a free lunch after all. Students who did their research discovered that many of the large firms offering the highest starting salaries were also increasing the number of billable hours expected and requiring more years before partnership. Billable hours commonly fall in the 1900-2100 range, with partnership decisions postponed until the eight or ninth year. Many graduates, aware of these facts, are still anxious to take offers from these prestigious employers.

Resume Fraud and Other Problems

Perhaps the occasional problem with intentional or unintentional inflation of credentials has always existed. Perhaps it is just because such problems receive more public attention these days. For whatever reasons, all law schools have had to make their students aware of the consequences of "resume fraud."

Last year a lawyer in Illinois was disbarred for overstating his law school record. Unfortunately, we have not been immune to the problem. One of our recent graduates was ordered to wait two years before applying for admission after discovery of resume fraud. One lawyer,

Table 4
Starting Salaries
(voluntarily reported)

	1986 range	1986 av.	1985 av.
Private practice			
Small firms (2-25)	18000-38000	24500	23000
Large firms (26 +)	30000-54000	38000	35000
Government			
Federal	19300-27300	24600	23500
State/local	17500-24600	23700	22000
Business/Corporate	22500-40000	33000	31500
Public interest/ public service	17000-25000	19500	18500

Table 5
Average Salaries

	1986	1985
Average	\$30,167	\$27,320
Median	\$30,000	\$25,000

who fraudulently claimed a UW law degree, was discovered when the employer called our placement office to thank us for our help.

I said that this was an occasional problem. For several years we have randomly selected resumes and checked grade point and class rank claims against the Law School's records. The random checks have failed to disclose any pattern of cheating, or any increase from year to year in what appears to be "rounding up" or honest errors.

Space, The Final Frontier

The rapid increase in on-campus interviewing has been a two-edged sword. When the present Law Building was constructed in 1963, placement was run out of the office of an assistant to the dean. By the late 1960's, the need for a placement director and an office to serve student needs was recognized. A class room

was remodeled to provide this space. A few years later, four small interview room, adjacent to the placement office, were carved out of another classroom.

In 1976, when I became the placement director, these four interview rooms were adequate for the approximately 150 employers visiting on-campus. This number grew steadily, and we were forced to add scattered rooms usually in the library, far removed from our assistance. By the 1986/87 fall interview season, almost 170 employers visited in the six week peak season, requiring seven interview rooms each day. This fall, with some 220 employers during the same peak season, we are using nine rooms most days and as many as eleven on some days!

Help may be on the way, however distantly, with a building addition that has been slowly working its way through the process. Space management people are understandably reluctant to commit large numbers of offices for use in only a small

part of the year. We believe, however, that interview rooms are not only important to the School, but also that they can be designed to accommodate other uses in our off-peak times.

New Techniques and Developments

As employers sense increasing competition for top law students increasing, new recruitment techniques are coming in to play, and a few old ones are being revived.

Along with the obvious but costly increases in starting salaries many employers have revived the old practice of the "bonus." Unlike the old year-end bonus, however, many firms have gone to a "signing bonus." In some cases, various bonuses and prepayments can add \$10,000 to the first-year income of an associate.

Other employers have gone to productivity bonuses, increasing the income of associates that bill more than some level of hours, or for general increases in the firm's income.

During the recruiting process itself, firms have revived the pre-interview cocktail party. In some cases, to demonstrate that the firm isn't a collection of "stuffed shirts," cocktails are replaced by beer and pizza, served in a relaxed atmosphere and hosted by younger associates

who themselves are graduates of our School.

Finally, a number of employers are seeking to educate the Law School and its staff by hosting on-site inspections of their offices. As the beneficiary of a number of these visits, I can attest to their value when advising students who are undecided about who to interview or who need assurance of their observations before accepting an offer.

Other Activities

Much of this article has focused on on-campus interviewing. While this is an important part of placement activity, it is not all we do. In fact, the majority of on-campus interviewing takes place over less than two months!

The most important function of my office is to provide individual counseling and advice to students and graduates. Each person is, after all, an individual, with different interests, concerns and problems. If each student spent just one-half hour talking to me each year, this would occupy almost three solid months.

In an effort to reach more students more efficiently, we organize and rely on workshops, seminars and group meetings to explore interviewing techniques, career options, resume writing and other common topics of interest. My career

planning workshop series, eight hours of discussion, is also available on audio tapes for the student who cannot attend in person. This fall we will also do two nights of career options on video tape, for easy replay in the future.

Our office also is active in assisting graduates wishing to relocate. We publish a bimonthly bulletin of openings for persons with experience and mail it to more than 200 alumni.

Conclusions

I began by noting that we are in an "up cycle" in law placement. Since I began as a law student in 1969, however, there have been two significant "down cycles." How long the current market conditions will continue are anyone's guess. One theory that seems to fit past facts suggests that the legal hiring cycle follows the general business cycle, trailing it by about two years both down and up. If this is a correct theory, we should have at least two more good years. We are all aware, however, that there are many factors at work in legal economics, factors which could significantly shift the market in short time periods.

If we can help you, please call us at 608/262-7856.