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## **FOR IMMEDIATE RELEASE**

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### **Overall Lateral Hiring Plummetts in 2020, Lateral Associate Hiring Saw Greatest Declines**

WASHINGTON, D.C. — After remaining relatively steady in 2019, lateral hiring fell by more than 30% overall in 2020, driven in large part by the impact of the COVID-19 pandemic on recruiting. This steep fall-off in 2020 was experienced across all firm sizes, regions, and cities included in NALP's analysis of the *Survey of Legal Employers on Recruiting* from 2020-21, although some offices saw larger decreases than others. This is the largest decline in lateral hiring since the peak of the Great Recession in 2009 when lateral hiring was down by 52%. NALP's 2020 analyses cover aggregate hiring information on more than 4,500 lateral lawyers in 388 offices/firms.

“This news may seem to be at odds with people's current experience in the market, where the competition for lateral associates is reportedly red hot, but in July of 2021 the legal services industry is in a very different place than it was in calendar year 2020,” said NALP's Executive Director James Leipold. “During the period measured, many law firms had implemented austerity measures, including salary cuts and postponements or reductions in partner draws, and it was unclear what the impact of the pandemic would be on the demand for legal services. As we would learn in the law firm year-end financial reporting cycle this past spring, many law firms did very well in 2020, with a combination of cost savings and more robust demand for legal services than anticipated driving relatively large revenue and profit gains,” he continued.



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“NALP’s findings of a dramatic decrease in lateral associate hiring in 2020 are consistent with the NALP Foundation’s April 2021 findings that ‘Overall associate hiring among participating firms declined significantly in 2020, decreasing nearly 50% from 2019.’ The impact of the COVID-19 pandemic on law firm lateral hiring was significant, and produced a marked decrease in volume, albeit one that is likely to be quite brief in duration, with overall lateral lawyer hiring volume likely to show significant gains in 2021,” Leipold concluded.

### **Key Findings:**

- The overall volume of hiring was down 30.2% compared with 2019 in these same offices/firms, with a median of 5.0 and an average of 11.7 lateral hires per office/firm. Partner lateral hiring fell by 23.5% in 2020, while associate lateral hiring experienced a sharper decline of 33.3%.
- The average number of lateral associates hired per office/firm in 2020 was approximately 7 associates and the median was 3 associates compared to an average of about 2 and a median of 1 for lateral partner hires. Lateral associate hiring accounted for 62.0% of lateral hiring in 2020 and lateral partner hiring accounted for 20.7%. Other lateral hiring comprised 17.3% of lateral hiring in 2020.
- Among employers reporting activity for a single office, offices averaged from 0.9 to 1.5 lateral partner hires depending on firm size, whereas associate lateral hiring averages ranged from 3.1 to 4.4 per office. While lateral hiring was down across the board, offices in firms of more than 700 lawyers experienced the largest drop in lateral hiring (-32.8%) while offices in firms of 501-700 lawyers had the smallest declines (-10.8%).
- On a regional basis, the level of lateral hiring per office was highest in the Northeast, with a median of 6.5 and an average of 11.5 lateral hires in 2020, compared with medians of 3.0 to 4.5 in all other regions and averages that ranged from approximately 4 to 7 lateral hires. However, in terms of aggregate volume change, volume was down the most in the West/Rocky Mountain region (-34.7%) and down the least in the Northeast (-20.8%). The median number of lateral hires was highest in New York City and the Washington, DC/Northern VA area, where the median was 8 lateral hires in both locations.



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- Among cities with at least 10 offices reporting, Houston (68.8%) and San Francisco (73.7%) had the highest proportion of offices reporting decreases of 30% or more in lateral hiring. In contrast, just one-third of offices in Chicago reported declines of 30% or more.
- While overall lateral hiring and associate lateral hiring were down across all firm sizes, regions, and cities/states included in NALP's analysis, this was not the case for partner lateral hiring. For firms reporting firm-wide data, partner lateral hiring was up by nearly 5% in firms of 251-500 lawyers and by nearly 14% in firms located in the Southeast. For office-specific reporting, partner lateral hiring was up by about 9% in firms of 250 or fewer lawyers and by 28% in firms of 501-700 lawyers. Partner lateral hiring was down across all regions, but some individual cities/states experienced growth such as Charlotte, Missouri, Philadelphia, and the Seattle area.

Read NALP's [full analysis on 2020 lateral hiring](#).

### **About NALP**

NALP is an association of more than 2,500 legal career professionals who advise law students, lawyers, law offices, and law schools in North America and beyond. What brings NALP members together is a common belief in three fundamental things. First, all law students and lawyers should benefit from a fair and ethical hiring process. Second, law students and lawyers are more successful when supported by professional development and legal career professionals. Third, a diverse and inclusive legal profession best serves clients and our communities. That's why NALP members work together every day to collect and publish accurate legal employment data and information, and champion education and ethical principles for recruiting, professional and career development, and diversity and inclusion. For 50 years, NALP has played an essential role in the success of our members and the lawyers and law students they serve. NALP maintains an online archive of press releases at [www.nalp.org/pressreleases](http://www.nalp.org/pressreleases). For additional information, contact NALP at [info@nalp.org](mailto:info@nalp.org) or call (202) 835-1001.