

Economics of Law Practice Survey Goes Online

You've just set up a new law office in a small town and you need to hire a legal assistant. You're looking for someone with at least five years of experience and you're wondering how much you should pay this person. In fact, how much would you charge clients for your services in this new locality?

Enter LawPracticeEconomics.com—a powerful new research tool that will provide answers to your questions in seconds. This new interactive website will be operational by April 2007. It will in effect replace the paper-version State Bar of Michigan Economics of Law Practice Survey, which has been conducted every three years for almost three decades to help attorneys keep abreast of changes in the profession and to provide cost-effective legal services.

The mailed paper survey, a custom for almost 30 years, will no longer be used. Instead, interested attorneys are encouraged to complete an online survey in January 2007. All survey participants are assured that their input is absolutely confidential. When the results become available, all SBM members will get free unlimited access. In the past, paper copies of the survey were sold for \$37.95.

The State Bar's partner, Synergy Management Solutions, Inc., will develop and administer the online survey. While all of the details are being worked out, Vince Romano of the State Bar Law Practice Management Section, which has served as the coordinating group for the survey all these years, is looking for attorneys to help test the new site.

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LawPracticeEconomics.com

An annual online survey

Updated quarterly instead of once every three years

Searchable database

Many charts, graphs, and tables

Free to all SBM members

Available in 2007

To help test the site, contact varomano@comcast.net

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According to Anne Vrooman, director of research and development at the State Bar, the biggest improvement in the online version is the creation of a searchable database that will be updated quarterly. This will allow Michigan attorneys to measure billing rates and practices, staffing and pay scales, and overhead costs and management practices, tailored to their specific circumstances and locality. Charts, graphs, and tables will also be used extensively. "The advantage of doing this is that this new state-of-the-art technology will enable us to capture broad trends sooner, as well as provide greater precision in monitoring shifts in the economics of law practice," Vrooman said.

The survey will continue to monitor and report on:

- Current State Bar of Michigan membership demographics and their geographic distribution and characteristics
- Attorney net income by office location, tenure (years in practice), practice class, specialization, work status (full- v. part-time work) gender, ethnicity, and firm size
- Associate, legal assistant, and secretarial salaries by office location, firm size, and level of experience
- Prevailing average hourly billing rates for attorneys and legal assistants
- Time allocated to billable and non-billable professional activities
- Overhead expenses and management practices associated with maintaining a private practice, by office location and firm size
- Perceptions on current or future economic circumstances related to law practice ♦

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