

In-House Legal Hiring In 2008

By: Leslie White

The U.S. economy expanded less than forecast in the fourth quarter as domestic spending declined and exports prevented an overall contraction. Gross domestic product rose at a 0.6 percent annualized rate, unchanged from the initial estimate last month, after a 4.9 percent gain in the third quarter, the Commerce Department announced today in Washington. Wall Street economists general predict a very slow first quarter, with the hope that the strength of exports will keep the U.S. out of a recession. While there is no question that we are experiencing a slowdown, the jury remains out as to whether we are heading for a recession. What does this mean for in-house legal hiring in 2008?

The market for legal services continues to increase as a proportion of the GDP. As we enter 2008, the legal market remains strong, though a slowdown in response to economic factors is expected. Some sectors have already responded to this economic slowdown. A few law firms, primarily those with large structured finance and real estate practices, have begun to announce associate layoffs and other cutbacks. That said, most firms appear to remain steady at this time. The market for attorneys continues to experience steady growth across all regions of the country, with some minor regional variations with hiring on the East and West Coasts slightly outpacing hiring in the Midwest.

Corporate legal department are looking to trim their legal expenses by doing away with law firms where possible and adding to their in-house legal departments new full-time lawyers or other legal professionals, including paralegals, and legal consultants . Almost half — 49.2 percent — of the 126 general counsel or chief legal officers from U.S. companies surveyed by legal consulting firm [Altman Weil Inc.](#)