



FOR IMMEDIATE RELEASE

March 12, 2024

Contact:

Danielle Taylor, Director of Research & Chief Data Strategist (dtaylor@nalp.org)

Nikia Gray, Executive Director (ngray@nalp.org)

202-835-1001

Download a PDF of this press release at www.nalp.org/current

Drop in Demand for New Talent at Law Firms Results in Softest Recruiting Cycle since the Great Recession

NALP today released its *Perspectives on 2023 Law Student Recruiting* report which reflects how the market is readjusting from the post-pandemic hiring surge that seems to have left many law firms with talent levels that are misaligned with their longer-term client demands. Although 2023 ended with record profits for many firms, these profits appear to have been driven by increased fees, not lawyer utilization rates, which remained low through year end. As a result, firms across the industry are projecting excess capacity in the near term – or at least less need for new talent – resulting in the softest recruiting cycle for employers since the Great Recession and a challenging job market for students.

NALP's *Perspectives on 2023 Law Student Recruiting* report reveals that several key indicators of the competitiveness of a recruiting cycle, such as total offer volume and offer rates, fell this year, while other factors indicate a more conservative recruiting season, such as a higher percentage of callback invitations resulting in interviews and offer acceptance rates.

NALP Executive Director Nikia Gray says, "Perhaps the most interesting perspective from the data this year is how it reflects the changing recruiting strategies used by law firms as the industry continues to inch towards a free market recruiting system. Not long ago, the primary vehicle to recruit rising 2Ls was law school career office on-campus interview (e.g., OCI) programs. This year's data shows that, while most offers are still made through OCI, it is now only a slight majority and that the recruiting cycle is increasingly bifurcated between OCI and non-OCI recruiting.

“These non-OCI recruiting methods are also heavily targeting top candidates, with diverse candidates a distant second. In short, what the data suggests is that OCI is still a valuable recruiting tool, but that firms are increasingly viewing it as a vehicle to “round out” their summer programs after engaging in a vigorous round of pre-OCI recruiting to secure their ideal candidates,” remarks Gray.

For the first time this year, NALP broke out recruiting that took place via a law school career office OCI program from recruiting via all other methods (non-OCI). Key findings from the report follow below.

Summer 2023 Programs and Outcomes

- The average overall 2L summer program class size in 2023 was 14, up from 13 in 2022. The 2023 figure of 14 matches the record high average class sizes previously reported for summer 2000 and summer 2016-2018 programs.
- The offer rate coming out of 2L summer 2023 programs (to return post-graduation as an associate at the firm) dropped from 97% in 2022 to 96% in 2023, which is the lowest offer rate since 2017, but still higher than historical figures observed prior to 2018.
- For the third summer in a row, the acceptance rate to those offers remained at an all-time high of 89%.
- Overall, 13.5% of entry-level associate positions were filled by students who spent both their 1L and 2L summers with the same firm, and nearly 8% of these associate positions were filled by students who spent both summers with the firm and were also 1L diversity fellows.
- The offer rate to 1L summer associates to return for a second summer (in 2024) fell by two percentage points to 92% as compared to the previous summer. The acceptance rate to those offers was 72%, a decline of one percentage point.
- Overall, firms reported that the majority (57%) of all 1L 2023 summer associates were diversity fellows, and the acceptance rate to return next summer was slightly higher for this group, at 74%.

2023 Recruiting for Summer 2024 Programs

- OCI was the most popular method used by law offices to recruit 2L students (93% of offices), followed by direct application (85%), and resume collects (77%).
- A slight majority (53%) of offers for summer programs were made as a result of OCI recruiting, as compared to all other (non-OCI) recruiting methods (47%).
- In 2023, 46% of callback interviews resulted in offers for summer 2024 positions, a decline of six percentage points from 2022, and the lowest offer rate since 2012.
- Offer rates and acceptance rates for summer programs usually move in the opposite direction of one another, which was true for this recent recruiting cycle. For 2023, the acceptance rate to those offers was 47%, an increase of six percentage points from 2022, and the highest acceptance rate that NALP has ever recorded. Both offer and yield (acceptance) rates were higher for offers made outside of OCI as compared to those made from OCI recruiting.
- Overall, total offer volume for summer 2024 programs was down 19% as compared to recruiting that took place in 2022 for summer 2023 programs. When further disaggregating the data by recruiting method, OCI offer volume fell the most, dropping by 31%, compared to a decline of just 5% for all non-OCI offers.

- The median number of offers extended by law offices to 2L students for summer 2024 programs was seven offers, the lowest figure since the recruiting cycle for summer 2010 programs, when the median was also seven.
- The majority of all offers were made in August (52%), and July accounted for the second highest percentage of offers (30%). An additional 15% of offers were made in June or earlier.
- However, there were significant differences in the timing of offers by recruiting method, with most non-OCI offers extended earlier in the recruiting cycle. The majority (74%) of non-OCI offers were made prior to August, while most (79%) OCI offers were made in August.
- Just 11% of offices recruited 3Ls in 2023, the lowest share of offices since 2009.

The full report can be found at: www.nalp.org/perspectivesonrecruiting. To request an interview, contact cstevens@nalp.org.

#

About NALP

NALP is an association of more than 3,000 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 more than 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. For more information, contact NALP at info@nalp.org or call (202) 835-1001.