

CHAPTER 1

THE LEGAL MARKETPLACE

Chapter 1 begins the student's journey into the fascinating legal marketplace. It sets the foundation for the rest of the text by describing the characteristics inherent in all types of legal offices, as well as the differences between various types of law offices. These characteristics familiarize the student with how the legal business differs from other businesses.

Two primary goals of this chapter are:

1. To give the student an understanding of the structure, organization, and management styles of various types of law offices in which paralegals work and
2. To give students an understanding of the many opportunities for employment a paralegal education offers.

Consistent with the first goal, this chapter illustrates as closely as possible the various types of law offices and their differences in management styles. Many variables compose a law office's environment, and this chapter identifies the factors that contribute to a law office's atmosphere and culture. To give the student a "real-life" feel for the subject matter, the chapter contains examples of typical law offices.

Consistent with the second goal, this chapter discusses career opportunities outside a traditional law firm. This will expand the student's perspective of the paralegal profession and illustrate the many employment options in the legal marketplace.

This chapter focuses on the legal marketplace as seen through the eyes of a lawyer rather than through the eyes of a paralegal. Viewing the business of law from a lawyer's perspective will give readers an understanding of the reasons management decisions are made. Since paralegals are an integral part of a legal office, understanding these reasons can only enhance the paralegal's understanding of the business of law in general.

OBJECTIVES

After completion of this chapter, the student should be able to do the following:

- Describe the structure and organization of small, medium, and large firms.
- Explain the autocratic, democratic, managing partner, committee, and combination management styles.
- Discuss the differences between a sole proprietorship, partnership, professional corporation, and limited liability company.
- Define a boutique firm, an office-sharing association, a legal clinic, and a virtual law office.
- Discuss the differences between corporate legal departments, private companies, and government agencies.
- Identify the changes that have affected the legal marketplace.

CHAPTER OUTLINE AND SLIDE GUIDE

I. Introduction

Slide 1.1 is the opening slide.

II. Structure and Organization

Slide 1.2 describes the structure and organization of a law office.

A. Size

Slide 1.3 describes the variation in size of firms according to the geographical area.

1. Small Firm
2. Medium Firm
3. Large Firm

Slide 1.4 lists the four types of large firms.

4. Mega-Firm

B. Specialties

Slide 1.5 lists attorney specialties. This is a good time to discuss the difference between general specialists and certified specialists.

C. Management Styles

Slide 1.6 lists different types of management styles.

Slide 1.7 describes law firm culture. The intangible areas that make up an office's culture are reviewed here. This is an important discussion. Everyone is exposed to the culture of a business, whether at work, home, or community activities. Is the environment tense? Creative? Comfortable? What things make up an office's environment that produce these feelings? When your discussion of law firm culture is completed, you can move on your discussion of management styles and how it affects law firm culture.

1. Autocratic

Slide 1.8 is an autocratic organizational chart. This slide illustrates how an autocratic management style functions.

2. Democratic

Slide 1.9 is a democratic organizational chart so the students can visualize how this management style functions.

3. Managing Partner

Slide 1.10 is an organizational chart of a medium firm with a managing partner style of management. To illustrate the difference in structure between a medium and large firm, a large firm organizational chart is displayed on the next slide.

Slide 1.11 is an organizational chart for a large firm managed by a managing partner. This will illustrate the difference in a managing partner style of management in the two sizes of firms.

4. Committee

Slide 1.12 illustrates how the committee style of management functions.

5. Combination

Slide 1.13 displays an organization chart for a combination style of management.

D. Forms of Management

Slide 1.14 illustrates the difference between centralized and decentralized forms of management.

III. Private Law Firms

Slide 1.15 lists the types of private law firms.

A. Sole Proprietorships

Slide 1.16.

B. Partnerships

Slide 1.17 is an example of full partner and junior partner percentages. This is where you can discuss equity and nonequity partnership positions.

C. Professional Corporations

Slide 1.18 is an organizational chart illustrating how a professional corporation is structured. Discuss the definition of shareholders and the role of the board of directors. Discuss the functions of the officers and how officers relate to the board and shareholders.

D. Limited Liability Company

Slide 1.19 describes the three differences between a partnership and LLC. Mention that an LLC is not an option for a professional practice in some states.

E. Boutique Firms

Slide 1.20 describes the characteristics of the boutique firms.

F. Office-Sharing Associations

Slide 1.21 describes the two types of office sharing associations.

1. Suite Concept

2. Firm Concept

3. A Typical Office-Sharing Association

G. Legal Clinics

Slide 1.22 is a list of entities that establish legal clinics. Discuss the differences in these clinics, if any.

H. Virtual Law Firm

Slide 1.23.

IV. Private Industry

Slide 1.24.

A. Corporate Legal Departments

Slide 1.25 is an organizational chart of corporate legal departments.

Slide 1.26 illustrates how a corporate legal department is structured around its product.

B. Private Industry

Slide 1.27 is a list of positions paralegals have held in private companies other than a law firm. Ask if a student has had experience in one of these positions and discuss how a paralegal education would be beneficial in the position.

1. Self-Employed Paralegals

Slide 1.28. You will present the two types of paralegal services separately.

2. Freelance Paralegal Services

3. Independent Paralegal Services

C. Attorney Service and Nonprofit Companies

V. Government Agencies

Slide 1.29 begins the section on paralegals in governmental offices and lists the four main areas of government offices in which paralegals work.

A. Federal Agencies

Slide 1.30 lists the four types of governmental agencies that employ paralegals.

Slide 1.31 lists the federal agencies that employ paralegals.

B. State Agencies

C. County Agencies

D. City Agencies

VI. The Changing Marketplace

A. Multidisciplinary Practice

B. Nonlawyer Ownership of Law Firms

C. Globalization

D. Nonlegal Subsidiaries

E. Legal Insurance Plans

Slide 1.32 is the closing slide.

KEY WORDS

1. **Autocratic:** Relating to government by one person with unlimited power.
2. **Autonomous:** Being self-governing, independent, and subject to its own methods of management.
3. **Boutique:** A law firm that offers services in one area of law only.
4. **Contract attorney:** An attorney who works for a law firm on an assignment basis or as an independent contractor.
5. **Contract basis:** Working as an independent contractor on a per case or assignment basis. The person is not an employee of the firm.