



WEATHERING THE STORM
TEXAS LAWYERS AND THE ECONOMY

Texas Law Students Experiencing Buyer's Remorse?

BY ELLEN CARNES

Recently, law schools have endured a spate of bad press. In August 2010, a Thomas M. Cooley Law School student (later revealed to be a partially employed graduate) blogged about law school transparency, vowing to go on a hunger strike until 10 law schools cooperated with her requests for accurate employment statistics. In October, a Boston College Law School third-year issued a bold — and desperate — proposition in an open letter to the school's interim dean: for a full refund of his tuition, the student would be willing to leave school without a J.D. Articles questioning if law schools artificially inflate employment statistics to enhance their *U.S. News and World Report* rankings have cropped up in recent months — perhaps the most visible being the *New York Times'* Jan. 8, 2011 feature, "Is Law School a Losing Game?" Law students across the nation seem to be experiencing buyer's remorse, and Texas is no exception.

With job prospects grim and student loan debt at an all-time

high, this generation of students faces unprecedented difficulty in finding their footing after graduation. "There is a definite sense of uncertainty and concern about employment among my classmates," a University of Texas third-year said. "Everyone is worried about how they will pay back student loans, and it's common to hear students expressing regret about their decision to go to law school."

A fourth-year joint J.D. and M.B.A. student can't help but feel discouraged by the situation. When her summer clerkship firm did not hire anyone for the following year, she found herself back at the beginning of the job search process. "I am now looking for any type of job — anything that pays enough so that I can pay back my loans," she said. "It's particularly discouraging to realize that I could probably have found a better paying job straight out of college than I can now, encumbered with a lot more debt."



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Swelling debt is a common concern among recent graduates. Even those who are fortunate enough to be employed worry about paying off student loans — an amount that is often in the six-figure range. A recent graduate working a temporary legal job said, “I took out \$85,000 in loans — at 6.7 percent interest — to receive my legal education, and I now have no way to pay for it. I thought I could use state programs to pay off [my] debt by working in public interest for 10 years, but without such a job I am required to pay \$750 to \$1,000 a month or defer and balloon my debt.” To make matters worse, the temporary job provides little practical experience. “My document review job helps with the loans, but I am gaining no experience and the task is repetitive and practically non-legal. Overall, I am filled with despair and feel hopeless.”

While law students are increasingly feeling the pinch, across the country, both tuition and the number of law school applicants are on the rise. According to the American Bar Association, tuition for an in-state resident at a public law school climbed an average of 9.78 percent each year from 2000-2008. The bleak job market has driven many undergraduates straight to law school, where they hope to wait out the economic downturn. “We have a sound program to educate students about career options and to help them find positions, but, unquestionably, the current market is one of the most challenging we have ever seen,” said Heather A. Creed, assistant dean of professional development and student relations at Baylor Law School.

To adapt to the current economic climate, Texas law schools are developing new initiatives. At the University of Houston Law Center, the Graduate Fellowship Program funds more than 40 graduates working with public interest organizations during the period between taking the bar exam and receiving bar results.

“We have increased our panels, presentations, and professional development series by 20 percent over the number completed last year,” said Donna M. Davis-Gregory, assistant dean of career services at Texas Southern University’s Thurgood Marshall School of Law. “Additionally, we increased our individual counseling sessions to provide more time to meet with students regarding their job searches.”

Students at Texas Tech University School of Law can take advantage of “Spring 3L Work Groups,” where practicing attorneys and third-years meet weekly to discuss job search strategies. Texas Wesleyan University School of Law is expanding its mentoring programs with the local legal community. Working with other Texas schools, St. Mary’s University School of Law is establishing new job fairs across the state, while Baylor is coordinating a statewide judicial internship program. Southern Methodist University’s Dedman School of Law has two new programs, *Partner to Practice* and *Test Drive* (see “Facing Challenging Economic Times Head On,” p. 130). At the University of Texas School of Law, two new post-graduate internship programs were created — one for the public sector and one for the private sector.

“It has become increasingly difficult to secure a full-time, post-graduate position in practically all sectors of the legal market,” said David A. Montoya, assistant dean for career services at

the University of Texas School of Law. “Large firms have cut back hiring significantly. Government and public-interest organizations continue to experience budget cuts that impact new lawyer hiring. Judicial clerkships for new graduates have decreased, as more and more courts opt to hire more experienced attorneys.”

But Montoya sees a light at the end of the tunnel. “The small firm sector may be the only sector that has seen some modest expansion of opportunities for new lawyers. Looking ahead, as the broader economy slowly improves, we expect increased activity in transactional work, which, in turn, will drive more large firm hiring.”

Ginna Galbraith, director of the Career Resource Center at South Texas College of Law, echoes this sentiment. “More students are seeking positions in smaller, boutique, or mid-size firms, or with a governmental agency or department. Students are becoming more savvy consumers in this climate — they realize that the big price tag may not be as secure as they once thought or provide the quality of life they are seeking.”

According to Julie C. Doss, assistant dean for career services at Texas Tech University School of Law, the practice of law — and the way attorneys are hired — is changing. “Criticism of the billable hour makes law firms more aggressive in watching their recruitment and hiring costs. The practice of law is a business and legal employers are now less likely to commit to hire someone before that person is licensed and ready to practice law. Recent graduates are considering jobs where a J.D. is preferred but not required.”

Seeking non-attorney jobs is becoming more and more common among law students looking for employment. The joint M.B.A. and J.D. fourth-year has applied for a number of non-attorney positions, particularly university jobs and in admissions offices. Another student said that if she does not receive a post-graduate fellowship, she plans to widen her search to include jobs in other fields. Not all of these positions would necessarily require a J.D. “Right before I found my current position, I was contemplating trying to find a waiting [tables] job or to work in retail or to become a substitute teacher,” a recent graduate said.

Despite non-traditional jobs and creative programming, law schools cannot create jobs where there are none. However, to the graduate who has applied to more than 100 firms or the third-year anticipating student loan repayment, it’s easy to become frustrated. Many students feel that incoming first-years need to adjust their expectations. “[Law schools] need to work on ratcheting down the expectations of new students,” one third-year said. “Students should realize that employment is far from guaranteed.”

Still, it’s not all gloom and doom. There are success stories like Amber Webb, a May 2010 graduate, who was hired as an associate of Thompson, Coe, Cousins, and Irons, L.L.P. in Dallas. “My job search was very stressful — in large part because I didn’t expect to be searching for a job my last year of law school,” she said. But, she says, it’s important not to give up. “Just because it doesn’t happen before graduation doesn’t mean it’s hopeless. Keep trying!”