

LEGAL WORKPLACE ECONOMY

August 2011

Jobs Report Summary

Based on the BLS Report with July 2011 data

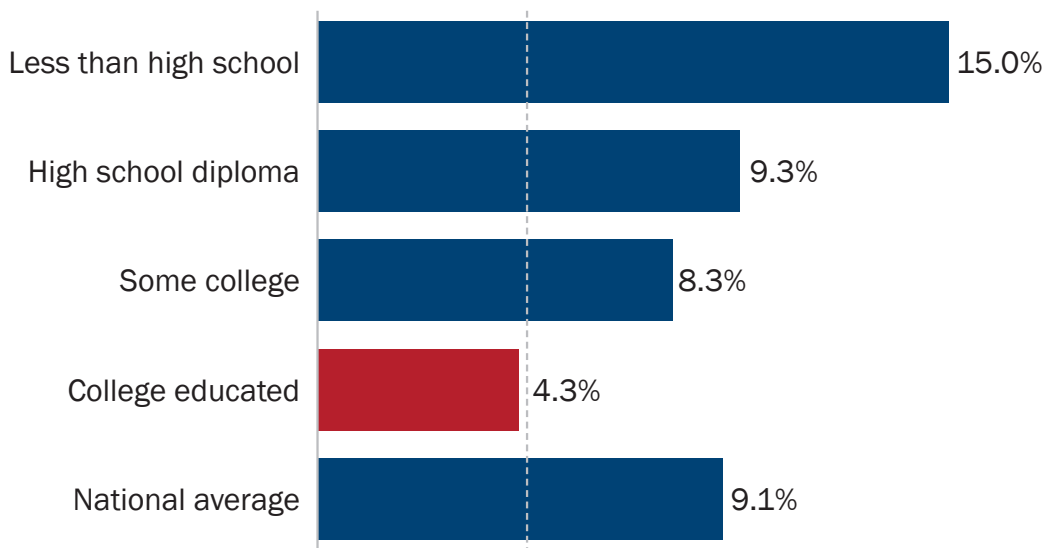
Throughout 2011, one phrase has regularly been expressed by nationwide economists while describing the United States' current economic status – “cautiously optimistic.”

As the nation's unemployment rate has lingered near its highest point in three decades, economists' recent predictions, that 75,000 jobs would be created throughout the month of July, were perceived as overly optimistic, to say the least.

Yet, surprisingly, such predictions were actually lower than the Bureau of Labor Statistics' latest “The Employment Situation” findings, as a total of 117,000 jobs were generated throughout the nation in July alone – a vast improvement in comparison to June's staggering employment findings, which included the addition of only 18,000 jobs to the national economy.

Additionally, the unemployment rate dropped from 9.2% to 9.1%, as the nation's total labor force of 153.2 million workers remained nearly unchanged. Although the job market appears to be gradually improving, economists have projected that 150,000 jobs must be created each month in order to maintain pace with the country's population growth rates and to significantly decrease unemployment levels.

Education remains a job search differentiator:



Source: BLS

Another sign that job creation progress has only just begun is noted by the country's present complement to the unemployment rate, the percentage of the population with a job, which is 58.1%, the lowest rate in 28 years. Furthermore, there are currently 8.4 million involuntary part-time employees, 2.8 million individuals marginally attached to the labor force, and 1.1 million discouraged workers who have ended their job searches for the time being, believing no opportunities are available for them at this time.

As the Obama Administration continually strives to increase the civilian workforce population and income levels, further optimistic findings from this month's BLS jobs report remain. First, average hourly earnings for all employees increased by 0.4 percent to \$23.13, as earnings have increased by 2.3 percent throughout the last year. Second, the average hourly earnings of private-sector production and nonsupervisory employees also increased by 0.4 percent – up to \$19.52.

Undoubtedly, the road towards economic recovery remains long and arduous. Economists, employers, and job seekers ought to remain “cautiously optimistic” as the economy continues to gain momentum throughout the coming months.

During the month of July, private employers hired 154,000 professionals throughout the United States, according to the BLS' August 5th release of “The Employment Situation.” A variety of industries, including healthcare, manufacturing, and mining, hired thousands of employees throughout July – a sign the economy is slowly recovering from the recession.

The following BLS findings were recently issued to the American public, according to the various sectors which have reported job growth as of late:

- **Healthcare:** The healthcare industry, as a whole, hired 31,000 individuals throughout July. Ambulatory health care services and hospitals continued to hire thousands of medical professionals, just as they have in recent months; each added 14,000 jobs, respectively.
- **Manufacturing:** The manufacturing industry created 24,000 new job opportunities. A majority of these positions had an emphasis in durable goods manufacturing. Of interest, manufacturing has hired 289,000 professionals since December 2009.
- **Mining:** In recent months, the mining industry has hired very few employees within the field; however, the industry created 9,000 positions in July. Mining employment has increased by 14,000 since October 2009.
- **Professional and technical services:** While the industry developed 18,000 new positions in July, employment in temporary help services has not improved in recent months. As a whole, the industry has hired 246,000 professionals since March 2010.
- **Retail trade:** The retail trade industry continued to hire new employees, especially during the months of June and July. The industry added 26,000 jobs in July alone and has hired 228,000 since December 2009.

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Overall, July's job report findings were more positive than many economic analysts had predicted. Job growth was nearly seven times as high in July as it was in June, as the nation's unemployment rate decreased.

Yet, only 1.9 million of 8.7 million jobs lost since 2008 have actually been recovered. In the meantime, 13.9 million Americans are currently unemployed – more than 40 percent of such individuals have been without work for more than six months.

Still, for the first time in months, economists, employers, and governmental officials received positive news regarding job growth. But, will such growth endure after the conclusion of the summer season? Will industries, such as healthcare and professional services, continue to hire professionals at as high a rate as they did in July?

Such questions will linger throughout the remainder of 2011, as governmental officials and businesses strive to develop new job opportunities and benefits for the nation's unemployed.

Of Interest

Corporate Executive Board Report Highlights “Five Forces That Will Change Legal”

Source: www.law.com

According to a new study by the Corporate Executive Board (CEB), globally fragmented relations, more data than ever and expansion into emerging markets are just a few of the trends that are being contemplated by general counsel. The study was conducted primarily through interviews with more than 100 members and a survey of 70 legal executives, all with the goal of uncovering their beliefs on future trends and what they think it will take for their legal departments to keep pace. The five forces that their findings reveal are:

1. Regulatory issues will converge, while regulation of issues will fragment.

Common issues such as data privacy, executive compensation, anti-bribery and antitrust are gaining importance in the eyes of regulators; however, countries and states are regulating these issues in different ways, which makes it difficult to sync their policies.

2. Information will grow exponentially.

E-discovery requests are getting bigger and the quality of meta-data that could be subpoenaed is getting better. As more information comes into play, the study finds that it will increase the premium of how companies organize and manage their data.

3. Dueling demands for corporate transparency and consumer privacy will collide.

Consumer demands for privacy will place more emphasis on data security and how companies support their IT infrastructure. In short, legal departments will need to become more technologically literate. Furthermore, legal teams will also have to deal with a variable set of regulations, depending on where companies operate. Consumers will want their privacy, yet they will also want to have more information about corporations, information on executive compensation packages, private conversations between executives and company investments.

4. The legal department's center of gravity will shift.

As companies expand into emerging markets to capitalize on growth opportunities, risks will follow. The report hypothesizes that in-house legal teams will become more decentralized, fleeing from corporate headquarters to local territory. Another facet of this shift is that in-house lawyers will take on additional responsibilities – such as auditing and keeping an eye on corporate integrity and employee behavior.

5. The legal service market will mature.

Five to ten years ago, companies debated with which law firm to partner. Today it's not just traditional firms that are competing for the work. Legal- and business-processes outsourcers are very good for separate pieces of work – such as discovery and document review and that could rival or surpass the quality of law firms.

The CEB is an advisory company whose membership consists of approximately 550 corporate legal departments' general counsel with the mission of highlighting best practices for chief-level executives.

American Bar Association and Apple Have Partnered to Publish Legal E-Books

Source: www.prnewswire.com

The American Bar Association and Apple recently announced that they are partnering to make e-books on legal subjects available for purchase in the Apple iBookstore. The debut title, iPad in One Hour for Lawyers, is now available to purchase as an e-book that can be read and enjoyed on the iPhone, iPad or iPod Touch.

iPad in One Hour for Lawyers offers tips and lessons designed for new and advanced iPad users alike. This particular e-book is ideal for lawyers wanting to get up to speed swiftly and teaches readers to set up the iPad user interface, multitask with apps, sync files and manage pleadings, case law, contracts and other legal documents. The e-book also includes a listing of the best apps for lawyers, as well as dozens of keyboard and browser tips and shortcuts. The author is Tom Mighell, the incoming Chair of the ABA Law Practice Management Section.