

Does Law School Still Make Economic Sense?: An Empirical Analysis of “Big” Law Firm Partnership Prospects and the Relationship to Law School Attended

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1. Introduction

This study is the first to comprehensively examine the relationship between law school attended and achieving partnership in the 100 largest American law firms. Seeking to address issues related to a previous study by Ted Seto¹, the extensive empirical analysis included in this paper is a critical and seminal addition to the increasingly visible debate regarding the value of a legal education, law school rankings, and the factors that should be considered by potential law students when choosing a law school to attend. Although this study does not attempt to provide an absolute answer to the question posited in the title, it does provide highly useful, objective information for those students considering law school while also providing information relevant to determining the relative economic value of law schools.

The study focuses on the following attributes of over 33,000 law firm partners: where they work (law firm and office location), where they went to law school, and when they graduated from law school. The paper analyzes the relationship between these attributes, using statistical analysis regarding law firms and law school, to explain and illustrate these relationships. Future articles incorporating gender, more advanced statistics, and a larger sample size are planned.

2. Basic Results

Table 1 ranks the top 100 law schools, according to an index score based on the number of partners from each school and their weighted class size as further described below. The table also includes an indicator that states the difference between this ranking and the United States News and World Report ranking. Although the celebrated T-14 nearly stayed intact, significant differences are seen immediately outside that range. The index score is included to demonstrate the actual magnitude between different rankings, and the last four columns provide supplementary information helpful in properly analyzing the index score:

- Percentage younger than mean allows the reader to estimate how a school’s rate of production is changing, and whether that school’s index score is likely to decrease or increase in the near future.
- 2025 score further informs predictions. This score was calculated by assuming the national age distribution of big law partners remains constant until 2025, then applying that curve to the current age distribution of a given law school.

¹ Theodore Seto, *Where do Partners Come From*, 62 J. Legal Educ. 242 (2012-2013).

- Value per partner was determined by solving a system of equations² with each law school serving as a variable (on the left-hand side) and a law firm's total revenue serving as the answer (on the right-hand side). Value added multiplies this value per partner times the index score.

Table 1: Index Scores Evaluation

Rank	USNWR-Index ³	School	Index ⁴	% Younger than Mean ⁵	2025 Score ⁶	Value per Partner ⁷	Value Added ⁸
1	+3.5	Chicago	437	53.8	425.67	2.22	9.70
2	=	Harvard	413	42.7	368.89	2.29	9.46
3	-2	Yale	341	38.9	267.74	2.36	8.05
4	+.5	Columbia	329	45.1	283.61	2.48	8.16
5	+7	Northwestern	315	54.0	322.14	1.93	6.08
6	+2	Virginia	310	47.7	287.68	1.91	5.92
7	=	Penn	293	48.7	265.17	2.08	6.09
8	-2	New York University	273	52.2	256.89	2.39	6.52
9	-6	Stanford	261	46.5	256.82	2.21	5.77
10	+.5	Michigan	235.79	48.5	224.94	1.97	4.65
11	-.5	Duke	235.71	53.5	234.06	1.99	4.70
12	+1.5	Cornell	233	48.8	201.78	2.15	5.01

² More accurately, "Value per Partner" was calculated by minimizing the total difference of a system of equations.

³ A "+" means the school is ranked better in this study, and a "-" means the school is ranked better by the USNWR. To increase accuracy, schools that are tied in the USNWR ranking are assigned a score as follows: ranking assigned by USNWR+(((number of schools tied)-1)*(1/2)). For instance, Columbia and Chicago are both ranked 4th, and were assigned a ranking of 4.5 for the purposes of this study.

⁴ The index score is (# of total partners/divided by weighted class size)*100 (for readability purposes). The weighted class size was obtained by collecting class sizes for 1950, 1960, 1970, 1980, 1990, 2000, and 2010, and then multiplying a school's class size for a given year by the number of partners in the study who graduated in that period. The period for 1970, for example, is 1965-1974.

⁵ Note that this refers to a % younger than *mean* and not *median*. Overall, slightly more than 50% of partners are younger than the mean, because older partners disproportionately push the mean up.

⁶ This future score was obtained by moving a school's age distribution over by 11 years and recalculating the number of partners: (% of partners from 1985/% of partners from 1996)*number of partners from 1996. The youngest current partners were removed to prevent distortion, and it was assumed that schools continue producing at their current rate. This figure is *not* a predictor of how the reputation of a school will change, but rather how changing age distributions will impact the school's share in the legal market.

⁷ Value per partner was calculated by solving a system of equations. There were 115 equations, with the answer to each equation being the revenue generated by the firm. Each school was assigned a different variable, and a statistical analysis was used to obtain solutions that minimized the total error.

⁸ Index Score*Value per partner/100.

13	+5	Georgetown	231	53.6	241.16	2.04	4.71
14	+7	George Washington	197.0	53.7	188.14	1.87	3.68
15	-6	California	196.6	45.4	171.61	2.08	4.10
16	+5	Vanderbilt	176	51.5	183.39	1.66	2.92
17	+23.5	Illinois	164.2	55.4	197.20	1.77	2.90
18	+9.5	Boston University	164.0	50.1	157.28	2.01	3.30
19	+18.5	Boston College	161	51.7	167.28	1.95	3.14
20	+6	Notre Dame	160	56.0	168.64	1.73	2.77
21	-6	Texas	157	54.0	155.74	1.81	2.84
22	-3	Emory	156	60.7	175.97	1.75	2.73
23	-2	Southern California	139	62.9	144.28	1.90	2.64
24	+13.5	Fordham	138	58.2	137.31	2.20	3.04
25	-8.5	California – Los Angeles	136	54.1	125.8	1.99	2.71
26	+17.5	Washington & Lee	128.5	57.2	141.09	1.70	2.19
27	+2.5	Indiana – Bloomington	127.6	52.8	121.86	1.52	1.95
28	+41.5	Loyola – Chicago	121	61.3	136.37	1.69	2.04
29	+67	Villanova	120	42.2	103.2	1.59	1.91
30	+3	North Carolina	114	53.8	123.35	1.64	1.87
31	-13	Washington – St. Louis	113	61.2	134.58	1.57	1.77
32	+77.5	Catholic	107	51.3	92.98	1.84	1.97
33	+9	Southern Methodist	104.2	56.2	113.99	1.71	1.78
34	+41	American	103.7	61.7	107.54	1.96	2.04
35	+14.5	Florida	100.3	50.6	95.69	1.60	1.60
36	+26	Temple	99.8	55.4	100.4	1.60	1.60
37	+18.5	California – Hastings	97.1	49.9	87.2	1.81	1.81
38	-13.5	William & Mary	97.0	62.6	105.34	1.68	1.68
39	-6	Wake Forest	95	58.3	104.5	1.44	1.44
40	+61.5	State University of New York (SUNY)	94	36.7	72.57	1.72	1.72

41	-20	Minnesota	93	68.2	105.74	1.64	1.64
42	+54	South Carolina	92	50.7	102.95	1.28	1.28
43	-13.5	Georgia	90	52.1	92.7	1.48	1.48
44	+37.5	Pittsburgh	89	56.5	85.53	1.44	1.44
45	-20.5	Washington	88	58.6	97.77	1.46	1.46
46	+19.5	Case Western	86	45.7	82.216	1.32	1.32
47	+18.5	Missouri	84	56.5	95.26	1.30	1.09
48	-10.5	California – Davis	82	55.6	85.61	1.89	1.55
49	+13	Miami	79.1	56.3	88.04	1.62	1.28
50	-17	Wisconsin	79.0	50.0	69.52	1.74	1.38
51	-23.5	Iowa	78.3	55.6	86.21	1.62	1.26
52	+17.5	Kansas	78.0	60.9	88.61	1.34	1.05
53	-20	Ohio State	76.5	58.2	78.72	1.62	1.25
54	+71.5	DePaul	75	60.9	83.55	1.69	1.27
55	-8	Tulane	72.1	71.6	83.28	1.82	1.31
56	+53.5	St. John’s	71.4	55.3	64.76	1.93	1.37
57	-10	Maryland	70.8	56.0	67.76	1.81	1.29
58	+79	Hofstra	70.25	56.7	68.96	1.89	1.32
59	+30.5	Loyola – Los Angeles	70.24	60.2	72.14	1.76	1.23
60	-8	Baylor	70.1	55.4	69.05	1.56	1.09
61	-14	George Mason	69.8	76.1	85.57	1.68	1.18
62	-10	Richmond	68.9	49.1	62.42	1.73	1.19
63	+56	Albany	66.98	46.5	52.11	2.10	1.41
64	+11	Chicago – Kent	66.94	67.8	78.32	1.64	1.10
65	+24.5	Seattle	66	77.0	93.72	1.54	1.02
66	+43.5	Santa Clara	65.1	70.3	79.62	1.77	1.15
67	N/A	San Francisco	64.6	53.0	65.83	1.76	1.14
68	-18.5	Utah	64.5	37.3	50.76	1.69	1.10
69	-10	Houston	64.0	65.2	77.38	1.71	1.09
70	-18	Penn State	63.8	56.1	61.76	1.57	1.00
71	+8.5	San Diego	63.4	68.6	78.05	1.65	1.04
72	-28.5	Colorado	61.4	55.8	68.22	1.57	0.96
73	-17.5	Pepperdine	60.77	76.9	78.27	1.73	1.06
74	+31	Missouri – Kansas City	60.76	56.8	69.78	1.23	0.75
75	+6.5	Rutgers – Camden	60.71	59.1	70.12	1.56	0.95
76	+8.5	Brooklyn	60	52.4	55.32	1.97	1.18
77	+19	Saint Louis	59	55.9	65.02	1.32	0.78
78	+31.5	Syracuse	57	58.5	52.27	1.83	1.04

79	N/A	Widener	56.4	78.5	60.63	1.30	0.73
80	+4.5	Rutgers – Newark	55.8	57.7	52.56	1.96	1.10
81	-43.5	Brigham Young	54	64.0	82.89	1.75	0.95
82	-16.5	Yeshiva	53	73.5	68.16	1.99	1.05
83	-8	Tennessee	50	42.9	41.35	1.49	0.75
84	+12	Northeastern	48	67.9	64.99	1.74	0.84
85	-5.5	Cincinnati	47	46.0	40.42	1.59	0.75
86	-16.5	Denver	44.3	62.4	58.83	1.43	0.63
87	+55	New York Law School	43.8	52.7	40.47	1.87	0.82
88	-43	Florida State	43.669	56.4	49.87	1.54	0.68
89	+35.5	Duquesne	43.666	54.8	41.00	1.44	0.63
90	-24.5	Georgia State	42	89.1	53.72	1.59	0.67
91	+5	Franklin Pierce	40.2	75.6	52.38	1.59	0.64
92	-36.5	Nebraska	39.6	55.6	48.27	1.28	0.51
93	-70	Alabama	38	61.3	34.77	1.70	0.65
94	+22	Creighton	37.3	58.6	41.59	1.41	0.52
95	+47	Pace	37.2	65.8	38.20	1.59	0.59
96	-55.5	Arizona	36.2	62.5	43.04	1.52	0.55
97	-7.5	Indiana - Indianapolis	36.1	62.6	44.11	1.46	0.53
98	-65	Arizona State	36.0	58.6	38.02	1.53	0.55
99	+10.5	Texas Tech	35.3	59.0	41.8	1.75	0.61
100	+5	Mercer	35.2	65.3	39.67	1.58	0.55

3. Comparison with Popular Rankings

1. Table 2 highlights the most significant discrepancies between index score and one measure, USNWR ranking. These “over-ranked” and “under-ranked” lists refer to the schools that have the greatest difference between their predicted index score, according to a calculated best-fit line, and their actual index score. Accordingly, despite posting the 3rd highest index score, Yale makes the “over-ranked” list because of the high expectations for a #1 ranked law school.

Table 2: USNWR Discrepancies

<u>Over-Ranked</u>	<u>Under-Ranked</u>
Alabama	Chicago
Arizona State	Northwestern
Yale	Villanova

Arizona	Catholic
Minnesota	Hofstra
Stanford	State University of New York (Buffalo)
Washington-St. Louis	Virginia
Iowa	DePaul
Washington	Loyola-Chicago
Brigham Young	South Carolina

- As can be gleaned by the “over-ranked” and “under-ranked” graphs, the biggest outliers are influenced by proximity to a major market, or lack thereof. Almost none of the ten “over-ranked” schools are close to a major market, while the “under-ranked” schools tend to be much more intimately connected to major markets. In general, proximity to a major market does not have a statistically significant effect on the success of a law school, yet it is a major factor in those schools that are “mis-ranked”.
- Table 3 provides a standard Pearson correlation coefficient between the index score in Table 1 and various popular measures of a law school’s reputation showing the potential for those measures to align with success in becoming a partner at one of the top law firms. The strongest correlation is the LSAT, with a school’s 25th percentile LSAT score serving as the best version of the LSAT.

Table 3: Index Scores – Correlation

NLJ Rankings*	.849
LSAT Score	.820 (.842, .812) ⁹
Above the Law Rankings*	.793
USNWR Rankings	.713
Faculty Rankings (Last Year)	.690
Faculty Rankings (All Time)	.683
GPA Scores	.682 (.654, .673) ¹⁰
Cost of Tuition	.679
Acceptance Rate	.620 (.574, .616) ¹¹
Weighted Class Size	.603

* Note that the NLJ and Above the Law Rankings only rank the top 50 schools and, therefore, have a slightly inflated correlation coefficient.

4. Methodology

- The study is based on data on partners at each firm listed in the top 100 by either the National Legal Journal (headcount) or American Lawyer (total revenue) – approximately

⁹ The numbers refer to current score (2010 score, 2000 score)

¹⁰ See *id.*

¹¹ See *id.*

33,000 partners. For each partner in the study, the following information was obtained: name (for verification purposes only), law firm, office location(s), year of graduation (or first bar admission), law school attended, and gender.¹²

2. Secondary data was obtained through American Lawyer, National Legal Journal, Above the Law, SSRN, United States News and World Report, and law schools' standard ABA disclosures.
3. The index score equals the number of "big-law" partners produced by a law school divided by a weighted class size. Weighted class size seeks to average a law school's class size while taking into account the reality that some graduation years are currently more prevalent among big law partners due to career advancement practices and market trends.
4. Significant secondary points relate to how this index score has changed over time (and is projected to change in the near future) and the economic value for respective firms as measured by partner school attended, in different locations, and of different ages.¹³
5. The study also seeks to evaluate the accuracy of other predictive systems, including alternative rankings and test scores, in an attempt to detect how accurate these systems are and when they fail.
6. Finally, the study provides some never before analyzed geographic-specific and law firm-specific information.

5. Conclusions

1. Popular law school ranking systems tend to focus on input factors (LSAT, GPRA) as well as subjective reputational evaluations that are typically dominated by potentially under-informed respondents holding arguably outdated opinions. The methodology outlined above offers an alternative method for ranking schools based on the success their graduates find rather than traits that may have no influence on that success. Even for those individuals who do not wish to become big-law partners, this method of critiquing schools allows for a better prediction of graduates' ability to *secure the job they hope for*, regardless of the job.
2. While a conclusive answer to the question posed in the title above will always remain illusive, more transparency is necessary to ensure that a potential law student with clearly defined aspirations can choose the means most appropriate to securing their desired end.

¹² Gender will be the focus of a future article and, therefore, does not appear in this article.

¹³ The "economic valuation" of a specific law school attended when measured by cost of tuition will be the focus of an additional future article. The findings presented in this paper are therefore limited with respect to that topic.