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The Secret of My Success: How Status, Prestige and School Performance Shape Legal Careers

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THE SECRET OF MY SUCCESS: HOW STATUS, ELITENESS AND SCHOOL PERFORMANCE SHAPE LEGAL CAREERS

*Richard Sander and Jane Yakowitz**

Abstract

If we study the forty thousand law graduates who join the legal profession each year, how well can we predict their future careers? How much of their future is predicted by their social class? The law school they attend? Their law school grades? This paper undertakes the first in-depth examination of these questions. Drawing on several large and recently-released datasets, we examine the role of class, school prestige and law school grades on the career earnings of lawyers and the success of big firm associates in becoming partners. We find that social class strongly conditions who goes to law school, but no longer predicts much about post-graduate outcomes. Law school prestige is important, but it is generally trumped by law school performance (as measured by law school grades). Law school grades reflect both personal characteristics not well captured by pre-law credentials, and one's relative position in a law school class as measured by pre-law credentials. Our findings suggest that there is little empirical basis for the overwhelming importance students assign to "eliteness" in choosing a law school.

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The contests begin each fall. Some one hundred thousand college seniors and graduates decide to apply to law school; they take the LSAT, begin writing essays, and send applications to a range of institutions. For most, the object of the game is to gain admission to the most elite law school possible, regardless of location and cost, on the theory that the name brand of the school they enroll in, and its reputation among employers, will be the surest propellant in launching their legal careers. Two years downstream, most of the second-year law students at each of these schools join in another competition for the attention of employers. At some law schools, employers are required to interview any student given a slot by the school's placement office; at others, the employers interview whomever they choose; but in either case, many of the employers – especially the big law firms offering the highest salaries – seem disconcertingly focused on law school grades, and the students with the most appealing transcripts tend to be those invited to coveted “call-back” interviews and eventually given job offers. Yet another two years downstream, law school graduates, fresh from their bar examinations, begin their professional careers in earnest. While all the new associates at a firm, or all the new attorneys at a government office, receive the same orientations to their jobs, it becomes quickly apparent to most that social networking is helpful in finding a good mentor or landing a plum assignment; how much of this process is lubricated by the right social background, helpful family connections, or other concomitants of class? In the competition for success as a lawyer, how much will social status smooth the way?

Rewards are distributed more unevenly within the legal profession than in virtually any other occupation.¹ Most of those who study the careers of

¹ Jack Ladinsky described the highly stratified urban bar in his 1963 study of Detroit lawyers. (Ladinsky, 1963) Since then, income inequality among lawyers has increased significantly. Using American Community Survey data for 2009, we found that, among all respondents with earnings who

lawyers would agree that law school eliteness, law school grades, and social status each play a role in determining which lawyers capture the greatest rewards. But remarkably little effort has been made to directly compare these inputs in explaining career outcomes, to see which of the three matters most, and how they interact.² Most of those who have written about the topic have been content to give anecdotal examples that support one factor or another.³ In this paper, we draw on several of the best known databases on lawyers to try and ground the discussion in concrete findings and comparisons.⁴ While the available data is not sufficient to provide clear answers to all of the interesting questions, we believe that much can be learned – enough, at least, to challenge many of the assumptions that guide the strategies of prospective students and much of the research in the legal academy.

This paper has three parts. We first examine general beliefs about the importance of each of these three factors (social class, law school eliteness, and law school grades) in shaping lawyer careers – beliefs among academics as well as beliefs among the law students and young lawyers going through the sorting process. We next present some specific findings about each of the three factors. Finally, we directly compare the three factors in regression models of career outcomes.

Throughout, we generally avoid a specific focus on race and gender, for several reasons. These are uniquely controversial and sensitive subjects, and we have written about them extensively elsewhere. Moreover, they have to some extent overshadowed discussions of class, religion, and other forms of social stratification. We would like to focus here on a number of patterns we think have been overlooked, and which affect lawyers generally.

The consistent theme we find throughout this analysis is that performance in law school – as measured by law school grades – is the most impor-

gave “lawyer” as their occupation, the Gini coefficient was .43 (this is roughly the same as the Gini coefficient across all American households!). For physicians, it was .413; for engineers, .276. The lawyer Gini coefficient is an underestimate because the ACS “topcodes” incomes above roughly the 99th percentile in each state, and many big firm partners have incomes far above the 99th percentile.

Another measure of income inequality is the ratio of a group’s median income to its average income; the lower the ratio, the more unequal the income distribution. For lawyers in 2009, that ratio is .73; in 1979, the ratio was .77, and in 1969 it was .83.

² Heinz, Nelson, Sanderfur and Laumann (2005) come close to a direct comparison in their analysis of Chicago lawyers over time, and we build on this analysis in Part III of the paper. But their results are obscured by the inclusion of outcome variables in their models, which turns out to matter a lot.

³ A recent exception is Oyer and Schaefer (2010), which uses the After the JD database to assess the earnings effect of attending an elite school. However, we consider this paper so fundamentally flawed that it confuses more than enlightens discussion. We discuss it *infra* at pages 6, 18, 19, 29, and 33.

⁴ Appendix A provides background on the five principal databases we rely upon.

tant predictor of career success. It is decisively more important than law school “eliteness.” Socioeconomic factors play a critical role in shaping the pool from which law students are drawn, but no longer play a discernible role in shaping post-graduate careers. Since the dominant conventional wisdom says that law school prestige is all-important, and since students who “trade-up” in school prestige generally take a hit to their school performance, we think prospective students are getting the wrong message.

A Note on Data Sources. Throughout this paper, we regularly draw on information from six major databases about law students and lawyers; all of our tables are based (at least in part) on one of these sources. We discuss these in more detail in the appendix, but a brief roll-call here may be helpful to the reader in following our discussion. The “Chicago Lawyers” databases are based upon two waves of face-to-face with separate samples of lawyers practicing in the City of Chicago, covering 777 interviews in 1975 and 787 interviews in 1994-95. The “After the JD” (first wave) database comes from surveys administered to a national sample of about 4500 attorneys two to four years out of law school in 2002-03. The University of Michigan Law School (“UMLS”) Alumni project has generated a wealth of data on various cohorts of UMLS alumni; in this paper we draw upon some ten thousand surveys administered to alumni fifteen years after graduation from the early 1970s to 2000. The Bar Passage Study (“BPS”), conducted by the Law School Admissions Council, tracked twenty-seven thousand students who started law school in 1991 through their graduation and post-graduate attempts to pass bar exams, administering surveys to the entire sample in 1991 and follow-up surveys to subsamples in 1992-94. The Public Law School Admissions dataset (“PLSA 2005-07”) was developed by the authors through public records requests to state law schools throughout the United States; it contains records from over 150,000 applications considered in the 2005-06 and 2006-07 admissions cycles of forty-one public law schools. The National Study of Law Student Performance, created by one of us (Sander) in collaboration with two colleagues, gathered survey, transcript and background data on over four thousand first-year students at nineteen law schools in the fall of 1995.

A key advantage of having multiple data sources is their independence from one another; almost every significant finding in this paper has been derived from at least two databases, even if we only discuss one source in the text.

I. GUIDING ASSUMPTIONS OF THE PLAYERS AND OBSERVERS

A. *Law school eliteness.*

As we suggested in the introduction, the typical applicant to law school seems to believe that the key to a successful career lies almost entirely in gaining admission to the most elite school possible. Anyone who has spoken to even a handful of law applicants will pick up on the strength of their beliefs in the value of law school prestige. The typical applicant applies to many different schools – not to make sure that she gets into some law school, but to make sure she gets into the most elite school possible. Matriculation reports from the Law School Admissions Council (“LSAC”) show that when students are deciding between schools of even modestly different levels of eliteness, ranking tends to drive decisions.⁵

The LSAC’s Bar Passage Study (the “BPS”) asked students entering law school in 1991 to assess how important sixteen different factors were in choosing their law school. The most important factor, by a considerable margin, was the school’s “academic reputation.”⁶

The tendency for prospective law students to optimize law school prestige when making their enrollment decisions is just as striking in more recent data we have collected from over forty public law schools across the country (the PLSA 2005-07). The credentials of applicants to a typical law school spread over a wide range; students are generally admitted from a narrow band at the top of that range, and, as the best admitted students usually have offers from other, more elite schools, the credential band of enrolled students is narrower still.⁷

⁵ LSAC provides each law school with an annual “matriculation report” that shows how accepted students decided between offers from the subject school and other law schools. The LSAC report prepared for UCLA in 1992 shows that of 137 students admitted to both UCLA and Boalt Hall who matriculated at one of those two schools, 80% chose Boalt (a school about eight places ahead of UCLA in the rankings at the time). Among the 186 students admitted to both UCLA and either Davis or Hastings Law Schools (schools in the University of California system perhaps twenty places behind UCLA in the rankings) who went to one of those schools, 85% chose UCLA. Both impressionistic and quantitative evidence suggest that the reliance on rankings to make matriculation decisions has only increased since then.

⁶ Over 65% of respondents said this factor was “very important” in choosing a law school; no other factor was considered “very important” by more than 48% of respondents.

⁷ For the applicants to these schools, we calculated an academic index on a scale of 0 to 1000, using the formula $\text{Index} = ((\text{LSAT} - 120) * 10) + (100 * \text{UGPA})$. For the eighty-one admissions cycles we examined at these forty schools, we calculated the mean and standard deviation of each school’s applicants, admits, and enrollees. Averaging across these schools values yields the following: the average applicant had an index of 683 (standard deviation 81); the average admit had an index of 753 (standard deviation 51), and the average enrollee had an index of 729 (standard deviation 49).

Because law schools rely heavily on numeric credentials and relatively mechanical admissions formulae (Sander, 2011b) and because applicants tend to go to the most elite school that will have them, law schools are highly stratified along the lines of incoming credentials.⁸ Race complicates this picture; large preferences can create several academic clusters of students in a school along racial lines. But since our focus here is not on race, let us simply consider the stratification of white students across different tiers of schools, as illustrated by Table 1. The strongest students at the 30th-ranked school (illustrated here by the University of North Carolina Law School) tend to have weaker credentials than the weakest students at the 9th-ranked school (illustrated here by the University of Virginia), and so on down the hierarchy. If anything, Table 1 understates this phenomenon, because some very strong students will attend an in-state school for reasons of cost or convenience, and state schools will admit some weak students through residency preferences. If we had comparable data for private schools, we think the compression of credentials would be even greater.

Table 1
Incoming Academic Indices of White Students Enrolled
At Illustrative Law Schools, 2005-07

2012 US News Ranking	Law School	2 nd Decile of White Students	8 th Decile of White Students
9	University of Virginia (2006 cohort)	844	895
30	University of North Carolina (2006 cohort)	758	817
79	University of New Mexico (2005 cohort)	686	749
Tier 4	District of Columbia (2006 cohort)	603	667

Source: PLSA 2005-07. The “academic index” is calculated by the formula $((\text{LSAT}-120)*10)+(100*\text{UGPA})$, and can take on values from 0 to 1000.

The many-tiered structure of legal education, with more-or-less discrete groups of law students organized by incoming credentials, makes it very difficult to disentangle the influences of law school prestige and pre-existing

⁸ Stake (2006) shows that this clustering has increased over the past generation.

cognitive strengths on later career success.⁹ Do strong students make a law school elite? Or does an elite law school confer advantages on its graduates? It is vital to be aware that both effects are possible, and to properly take the intense human capital stratification of students across law schools into account before assuming that law schools play some independent causal role on the careers of their graduates.¹⁰

One recent work epitomizes both this conflation of human capital with the effects of school prestige and the widespread belief that prestige is all-important. Oyer and Schaefer (2010) ask several of the same analytic questions we explore later in this paper, but do so in a way that obscures key issues and considerably overstates the importance of attending an elite school. Their analyses of how law school eliteness affects subsequent earnings use poor proxies of law school performance, do not control for student LSAT scores, and do not take into account the dramatic cost-of-living differences facing lawyers in different parts of the United States. All of these choices, as we shall see below, greatly exaggerate the relationship between school eliteness and earnings. Oyer and Schaefer concede that their models have limitations, but then make audacious claims about their implications, suggesting that a Stanford law degree is worth about \$1 million more than a UCLA law degree, and \$2 million more than a degree from a third-tier school. We shall see below some of the problems in this kind of thinking, but for now it is important to keep in mind that Oyer and Shaeffer's claims reflect a widespread mindset in the legal academy.

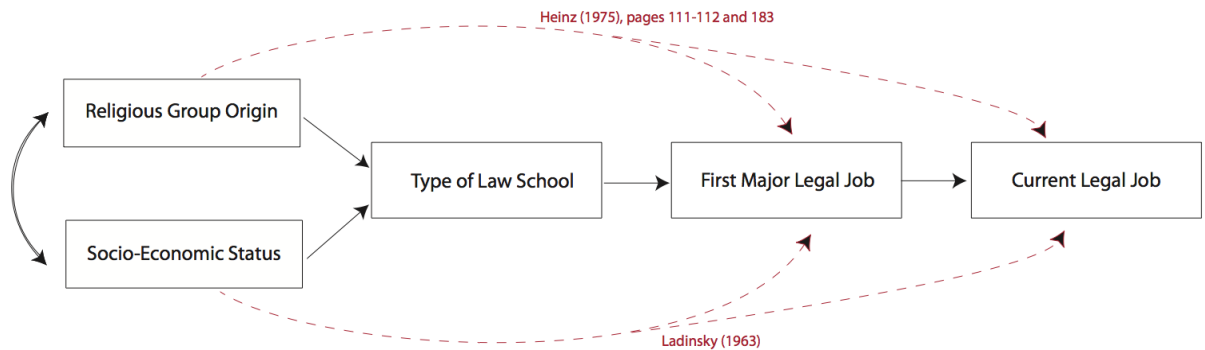
⁹ Though the US News rankings have generated great rancor for contributing to a rigid and in some ways arbitrary hierarchy of schools, Russell Korobkin has argued that the rankings help to efficiently match law students and employers. See (Korobkin, 1998). However the law student-employer sorting mechanisms depend not only on students electing to go to the highest ranked schools, but also on the schools admitting the strongest students. Jeff Stake has questioned whether this is in fact happening. Jeff Stake has pointed out that as the rankings become more dominant, law schools give increasing weight to LSAT and UGPA, the two measures US News uses to assess the eliteness of a student body. Schools even announce policies of only counting the "top" LSAT score of a student, giving both schools and students incentives to game the system. The cumulative effect of this cycle is to retreat from identifying the "best" students, and instead sort students by the highest reportable credentials. See (Stake, 2006). On a different point, Andrew Morriss and William Henderson have documented that the success of a law school's graduates in the labor market is not strictly dictated by the school's US News ranking. Other factors, in particular the location of the law school, play important roles in post-graduation outcomes. See (Morriss & Henderson, 2008). An earlier, less systematic study came to similar conclusions about the salience of geography. See (Stevens, 1975).

¹⁰ For example, Heinz et al, *supra* note 5, Ladinsky, *supra* note 2, both lack the necessary controls for the conclusions they draw. But Ronald Ehrenberg concludes that school prestige might have an independent positive effect on earnings because a control for the Gourman reputation score had a statistically significant impact on earnings even after controlling for a law school's median LSAT score. (Ehrenberg, 1989)

B. “Social eliteness”.

Many of those who study the legal profession are sociologists by training. As such, they incline towards a view that social stratification is quite important and that social status tends to reproduce itself, even in a society like the United States which views itself as meritocratic and comparatively classless.¹¹ These scholars do not subscribe to identical models, but it is fair to say that many would endorse a model of legal careers outlined by Heinz and Laumann in *Chicago Lawyers* and reproduced with modifications here¹²:

Figure 1. A Classic Model of Hierarchy and Legal Careers



Source: *Chicago Lawyers*, p. 173, with modifications to the model shown in red

A central idea in sociological theories of the professions is that a profession distinguishes itself from a mere “occupation” by limiting entry. Abel (1989) memorably documents ways in which the legal profession, as it became organized in the late 19th century and the first half of the twentieth, often limited entry by gender, race, and class.¹³ Of course, the existence of

¹¹ C. Wright Mills’ *The Power Elite* (1956) is the iconic work on this subject, but many other studies have made much the same point.

¹² Although the text of *Chicago Lawyers* concludes that social and religious group status affected law firm placement through the process of enrolling at elite law schools, the tables indicate that religious background—e.g. being Jewish—had an independent effect on the legal labor market. While Jews were proportionally represented at elite law schools, they ended up at disproportionately low-status firms. *Chicago Lawyers* at 111-112, 183, 186. For corroboration of the dashed arrows at the bottom of the heuristic, see (Ladinsky, 1963).

¹³ Abel himself focuses primarily on entry into the profession itself, through the development of law schools, bar exams, and other entry points into the law.

social barriers to even entering the profession would logically betoken even steeper social barriers to a profession's elite strata.

There is no doubt that these sorts of socioeconomic screens did exist among the elite law firms that rose to prominence during the first two-thirds of the twentieth century. The classic study of these firms, Erwin Smigel's *Wall Street Lawyer* (1964), provides a largely anecdotal but very persuasive portrait of these social mechanisms. Smigel documented that top New York firms preferred their associates not only to graduate from the top schools and to have academic talent and stamina, but also to "be long enough on family connections" to fit the high status, "social register" image of their firms.¹⁴ Other scholars writing around the same time as Smigel found analogous, though perhaps less pervasive, social hierarchies in legal practice settings across the mid-century American heartland.¹⁵

Such portraits of a class-stratified legal profession strike many as quaint these days. In our informal encounters, most practitioners describe a legal profession that has shed its class and ethno-religious structure. A common view is that norms in the profession fundamentally changed in the 1960s and early 1970s. Changing racial attitudes, the large-scale entry of women into law school, and increasing competition for the best associate talent all took their toll on older attitudes and practices, making modern legal practice a nearly pure meritocracy.

But sociologists and other analysts of the legal profession have tended to disagree. Writing in the early 1980s about Chicago lawyers in the 1970s, Heinz and Laumann observed that "the position in which a lawyer begins the practice of law appears to be more than ever likely to determine the position in which he will end his career, and the position where a lawyer starts is, as much as before, determined by his social origins. Thus, the social hierarchy within the legal profession may be becoming more fixed, more rigid, more difficult to surmount." In other words, Heinz and Laumann found evidence that even in the wake of the broad social upheavals of the 1960s, social stratification in the law was holding firm and perhaps even increasing. Similarly, Lena, Roach and Warkov (1993) found that among a sample of law school students who became lawyers in the mid-1960s, "occupational inheritance" (whether the lawyer had a parent who was a lawyer) and religion were strongly associated in the 1980s with mid-career practice

¹⁴ Smigel, p. 37 and passim. It's worth noting that Cravath, Swaine and Moore, a firm often held up as the archetype of the prestigious Wall Street firm, eschewed the use of social standing as a recruitment criteria during this period. Hoffman, *Lions in the Street*.

¹⁵ See (Ladinsky, 1962) and (Carlin, 1963).

settings; Protestants and those with lawyer parents were significantly more likely to be at law firms rather than in solo practice. Erlanger (1980) was an unusual, dissenting voice; he found in a 1973-74 national sample of lawyers that while social background affected who went to law school, it had little impact on post-graduate outcomes. Erlanger's findings were downplayed by others who suggested that his sample was skewed away from large cities, where status counted for most. In the late 1990s, when the massive "After the JD" ("AJD") study was formulated, a central goal was to document how "social capital" – connections, socioeconomic status, and other forms of social privilege – shaped legal careers.

Still, there have been recent, subtle shifts in the literature that at least imply a smaller role for social class in shaping careers. The official reports of the AJD, in tracing the outcomes of young lawyers, make essentially no mention of class issues. And in their updated study of Chicago lawyers, drawing on interviews from 1994-95, Heinz, Laumann, and their coauthors (2005) offer a more nuanced (or at least ambivalent) view of the role of class divisions in the bar. Although they write that "[s]ocial stratification divides the bar and weakens its coherence – lawyers with differing personal characteristics live in difference social worlds and play different roles both in the bar and outside it" (p. 318), they also note that "ethnoreligious stratification, seen clearly in the 1975 data, was greatly diminished in 1995, but women, African Americans, and Hispanics replaced the disadvantaged ethnoreligious groups on the lower rungs of the professional ladder."¹⁶ Similarly, a recent study by Dinovitzer (2006) of Jewish lawyers, while starting from an assumption that socioeconomic status and other social factors play an important role in success in the law, finds that the role of social capital is nuanced and not always correlated with traditional measures of success.

We draw a few lessons from this discussion. The Bar was once highly stratified by class and religion, and this was properly a central focus of many studies of lawyers by social scientists. More recently, observers both

¹⁶ Although we have eschewed a focus on race and gender issues in this piece, we cannot pass by this quote without noting our view that the mechanisms of stratification in the Bar have not simply "replaced" ethnoreligious minorities with racial minorities and women. Traditional stratification means that groups are kept in lower strata through exclusion from the higher strata. But whereas Jews, Catholics, and working-class aspirants were once excluded to varying degrees from elite firms and even elite law schools, that is certainly not the case with women and racial minorities. As one of us has pointed out in earlier work, blacks are significantly over-represented among the ranks of new associates at elite firms, relative to their numbers among new lawyers, and women are proportionally represented. The weight of evidence suggests that their under-representation among the partners at these firms is primarily due to factors other than garden-variety discrimination or exclusion. (Sander, 2006); (Dau-Schmidt, 2009)

inside and outside the law perceive the processes of stratification to have changed sharply over the past half-century, but there is disagreement about the pace and nature of the change. Some believe competition and changing social norms have produced an intensely meritocratic profession, where social background is immaterial; others believe stratification has become more subtle so that its effects can only be observed indirectly. But the idea of social stratification among lawyers still has considerable sway as a world-view shaping the way many social scientists think about the profession.

C. Law School Performance

Many legal scholars have expressed great skepticism about suggestions that law school grades have anything to do with career success. The general belief is that, while some employers attach importance to grades when making hiring decisions, this is an arbitrary and largely empty credential; doing well in law school has, these scholars say, nothing to do with the skills needed to negotiate deals, argue in court or attract clients.¹⁷ A new round of skepticism burst forth just a few years ago, when one of us (Sander) published a study suggesting that the interaction of grades and law firm preference policies might explain the low rates at which associates hired with racial preferences ended up making partner at big firms (Sander, 2006).¹⁸

Incoming law students do believe their grades are important, though perhaps only because they know law firm hiring committees review transcripts when making initial hiring decisions. In the BPS survey of 1991 law school matriculants, 98% reported that they were at least “concerned” about getting good grades, and 81% were “very concerned.” Still, this concern has

¹⁷ Among legal thinkers and academics, skepticism that grades do not predict lawyer success is expressed by, among others, (Edwards, 1992); (Johnson, Jr., 1991); (Coleman, Jr. and Gulati, 2006); (Keating, 1998).

¹⁸ Sander’s article (*The Racial Paradox of the Corporate Law Firm*) produced an interesting duality of response. Two reporters told him that big-firm partners they interviewed off-the-record agreed with Sander’s hypothesis. But in a New York Times piece discussing *The Racial Paradox*, another journalist, Jonathan Glater, quoted several law firm partners (on-the-record) expressing skepticism about the link between law school grades and law firm partnership. The piece was entitled “Straight-A Student? Good Luck Making Partner”, *New York Times, Week-in-Review* 3, Dec. 3, 2006. Similarly, California lawyers Raymond Marshall, Renee Duree and Elizabeth Hall wrote of lawyers, “grades neither guarantee nor define success in the workplace....[g]rades function as a litmus test for a student’s prowess in academia, and so are not necessarily indicative of his or her savvy once within the workplace. To give grades any greater weight would be erroneous....once an associate passes academic muster or whatever the hiring threshold may be, the associate’s workplace capabilities quickly become the defining features that measure his or her talent.” *Ad Hominem*, Dec. 22, 2006.

little impact on student selection of law schools, because applicants tend not to see any tradeoff between the eliteness of the school they attend and the grades they expect to receive. They generally believe they will excel academically, regardless of where they go to school. The BPS asked beginning law students to rate how their skills compared with their new classmates, and to predict their eventual class rank. Thirty-four percent of the beginning students predicted they would end up in the top tenth of their classes; 99% predicted they would end up in the top half.¹⁹ Data from the National Study of Law Student Performance shows similar patterns – the optimism of first-year students was still largely intact after two months of law school, before their first set of exams.²⁰

Experience modifies these perceptions, and students discover that in law school, unlike Lake Wobegon, it is not possible for everyone to be above average. Soon enough they witness vividly the weight judges and other sought-after employers give to transcripts. White and Asian associates at large law firms generally cite grades as the most important factor in landing their job; indeed, 60% of associates at large firms in the AJD reported that their grades were more important than their law school's prestige in getting in the door. But since they lack any real evidence on the long-term effect of grades upon careers, or the actual tradeoff between school eliteness and school performance, it is not clear that many would behave any differently if given another chance to choose a law school.

II. SOME FINDINGS ABOUT EACH FACTOR

A. *Social eliteness*

Two patterns struck us forcefully as we examined data on the social eliteness of lawyers:

On the one hand, law students come predominantly from upper-middle- and upper-class backgrounds. This was true fifty years ago and continues to be true today – to almost exactly the same degree. (Sander, 2011a) Whatever is necessary to shape the credentials and desire necessary to end up in

¹⁹ Of those 34% that predicted they would be in the top 10% of their class, the average respondent actually received grades at the 55th percentile of their law school class.

²⁰ The NSLSP is discussed in the introduction; datafiles and documentation for this study are available at www.law.ucla.edu/sander/Data.htm.

law school, it is distributed in ways that correlate strongly with most conventional measures of social eliteness.²¹

On the other hand, the role of social eliteness in shaping lawyer careers after law school has changed dramatically over the past two generations. Whereas in the 1960s, social class, proper “connections” and religion all played influential roles in shaping the types of legal careers available to law graduates, those factors do not seem to bear the same significance today.

This section details both of these findings.

In the early 1960s, the National Opinion Research Center (NORC) administered a large survey to some thirty-three thousand seniors at 135 colleges and universities. The survey focused on graduate school and career plans, and a year later roughly 85% of the surveyed students completed a follow-up survey. Warkov and Davis (1963) compiled data on the thousand or so survey participants who entered law school and completed both NORC surveys. They were particularly interested in the social origins of students, which makes their study by far the best source available on the socioeconomic characteristics of law students in that era.

The findings of Warkov and Davis are nuanced, but their bottom line is succinct: most law students in the early 1960s came from relatively privileged backgrounds. At elite law schools,²² about half the students came from the top tenth of the American social pyramid. Only a tenth of so of students came from the bottom half.

Forty years later, contemporary surveys of lawyers and law students (AJD, BPS, the National Study of Law Student Performance) all show that despite important changes, such as the introduction of affirmative action and federal student loan programs, the composite SES background of law students has not noticeably changed. As Table 2 suggests, young adults whose SES background placed them in the top tenth of the American population were more than one hundred times as likely to be attending a “top ten” law school as were young adults from the bottom quartile of the SES distribu-

²¹ Data in Sander (2011a, 2011c) suggests that higher education institutions are overlooking many diamonds in the low-SES rough, and that law school policies actually militate in various ways against the admission of low-SES students. Thus, there is good reason to believe that modest reforms could substantially increase the presence of low-and-moderate SES students in law schools.

²² In Warkov’s analysis, the eight most elite law schools were classified as “Stratum I” schools. Of course, the size of the law school population was dramatically smaller in the early 1960s. In our comparison of Warkov’s data with recent sources, we analogize his Stratum I to the top two tiers of contemporary law schools, embracing the twenty law schools most highly ranked by US News (see Table 3). These twenty schools have a similar collective enrollment (relative to the whole law student population) as did Warkov’s Stratum I schools.

tion. These extraordinary disparities decline as one moves down the spectrum of school eliteness, but are substantial even at the least elite schools.

Table 2: Socioeconomic (SES) Eliteness of Law Students in AJD Panel

School Eliteness	Proportion of students with SES in the following ranges:				
	Bottom Quartile	Third Quartile	Second Quartile	75 th to 90 th Percentile	90 th to 99 th Percentile
(1) "Top Ten" (n=362)	1%	4%	13%	25%	57%
(2) Ranked 11th-20 th (n=434)	3%	9%	12%	28%	49%
(3) Ranked 21st-50 th (n= 627)	3%	7%	17%	25%	48%
(4) Ranked 51 st -100 (n=1063)	7%	12%	17%	27%	36%
(5) Ranked 101 st & lower (n=929)	6%	15%	21%	31%	27%
(6) All Schools	5%	11%	17%	28%	39%

Source: Authors' analysis of AJD data. Appendix I of Sander (2011a) explains in detail the construction of the SES measures and methodology underlying this table (essentially, comparing the education and occupation of respondent parents to a comparable national population). Schools are classified into five tiers based on US News rankings of law schools for 1997 (the year most of these respondents started law school).

Contemporary data sources cannot be translated perfectly into the categories Warkov and Davis used in the early 1960s, but we can compare the educational eliteness of law school parents in the Warkov data and the recent AJD data (measuring eliteness in each case relative to the education of 45- to 64-year old men and women in 1960 and 2000, respectively).²³ Table 3 makes this comparison, using the index of dissimilarity (a measure analogous to a Gini coefficient, but better suited to categorical data) to show the degree to which the educational eliteness of law school student parents departs (always in the direction of being more elite) from the general population. (For example, the index of *SES* dissimilarity between "top ten" law

²³ The premise of this comparison is that the parents of law school parents will typically be between ages 45 and 64. It is important to be reasonably accurate in comparing age cohorts, because the median level of education increased rapidly across cohorts during the second half of the twentieth century.

students -- first row of Table 2 -- and the general population is .57, a very high level of dissimilarity.) Warkov's three "strata" divided law schools into the "top eight", the "next eight", and all remaining law schools (in his time, these top sixteen law schools accounted for roughly half of total enrollment). In terms of selectivity and relative share of total law school enrollment, we have roughly analogized his Stratum I to the top two tiers of law schools (the "top 20") as described in Table 2; Stratum II is analogized to Tier 3 (schools ranked 21st to 50th in US News); and Stratum 3 to the remaining law schools (Tiers 4 and 5).

Table 3: Indices of Educational Dissimilarity for Law Student's Fathers, Comparing the Warkov data on 1961 matriculants with AJD 1996-97 matriculants

Indices of educational dissimilarity (from the general age-adjusted population) for fathers of:			
Warkov's 3 Law School "Strata"	1961 Matriculants	1996-97 Matriculants	Five Tiers of Contemporary Law Schools
Stratum I	52.7	59.3	Tier 1
		50.5	Tier 2
Stratum II	41.7	47.0	Tier 3
Stratum III	35.7	34.4	Tier 4
		30.7	Tier 5

Source: Authors' calculations based on AJD data and Table 4.1 from Warkov and Davis (1963). See Sander (2011a), Appendix I, for additional information on methodology.

Table 3 suggests that the SES eliteness of law students did not change much between the 1960s and the 1990s, and there is little reason to think that matters have improved in the past decade.²⁴

But while legal education remains highly stratified by class, casual empiricism suggests that the legal profession has become far less stratified. Over the past forty years, social barriers within the legal profession that are traceable to religion and class have largely disappeared. There may indeed be a higher proportion of Jews at the historically Jewish firms (e.g., Skadden

²⁴ While a few public law schools have focused more heavily on socioeconomic diversity in the wake of ballot initiatives limiting their use of racial preferences, it is plausible that the rapid increases in law school tuition over the past fifteen years have further diminished the aspirations of low-SES students to attend law school.

Arps) and a higher proportion of WASPs at traditionally white-shoe firms (e.g., Davis Polk), but patterns of practice or firm eliteness once associated with religion have either reversed altogether or become greatly attenuated.

It is also hard to see, within the lawyer population, distinct advantages that accrue to those with what were once important family components to human capital. Within the AJD dataset, for example, consider the following earnings differences between lawyers who report a particular characteristic, and those who don't.

Table 4: Difference in Median Salaries Among “New” Lawyers,
For Those with Reported Characteristic

Lawyers in the family	+\$1,000
One or both parents are supervisors	-\$5,000
One or both parents are executives	-\$5,000
Family helped with career strategy	-\$5,000
Family helped with networking	-\$4,000
Family was important for obtaining first job	-\$14,000
Family was very important for obtaining first job	-\$17,000
Both parents are immigrants	+\$0

Source: AJD tabulations by the authors

More often than not, those with high “family capital” report *lower* earnings.²⁵ Of course, these are simple cross-tabulations; Part III will utilize regressions to better measure the marginal impact of these factors when other characteristics are controlled. Still, this simple descriptive analysis strongly hints that an elite family background or family connections is not the exclusive ticket to elite practice it once was.

B. Law School Eliteness

There is little question that going to the right law school was a virtual prerequisite for many elite law positions in the 1950s and 1960s. But it is

²⁵ These relationships hold for means of natural log-transformed salaries, as well. Of course, this is an extremely simply analysis, and one can imagine confounding factors. For example, marginal graduates of weak law schools might rely disproportionately on relatives for jobs, and family connections could be a net plus for a smaller group at the top. But our more sophisticated analysis in Part III does not suggest a very different picture.

equally clear that the importance of an elite degree has declined substantially since then. Consider the following chart:

Table 5: Percentage of Young Lawyers Graduating from Specified Sets of Schools, by Distinct Law Firm Cohorts

Law School Cohort	Large New York Firms, 1950-1965	Large New York Firms, 2002	All Other Large Firms, 2002
Top Three	73%	15%	7%
Top Ten	91%	39%	22%
Top Twenty	92%	53%	44%
Top Thirty	96%	72%	52%
Top Fifty	97%	73%	65%

Sources: Statistics in Column 1 are derived from the 1965 Martindale-Hubbell listings for elite New York firms, defining as elite those New York firms that went on to be members of the Am Law 100 in 2001. We counted each listed lawyer who had graduated from law school in 1950 or later (for some firms this included only partners). Columns 2 and 3 are based on AJD data. Column 3 reports statistics for AJD participants, wherever located, who reported working for a firm of 100 or more attorneys. Nearly all of the attorneys in Columns 2 and 3 are associates. The same set of schools are classified as “Top Ten”, “Top Twenty”, and so on, for all three columns. “Top Three” includes Harvard, Yale, and Columbia, the latter because it has long been a principal feeder of New York elite firms.

In the 1950s and early 1960s, elite New York law firms placed great importance on their new associates coming from the “right” background, which, as we have already discussed, often included such things as family connections, religion, prep school, and an elite college. So far as we can infer from accounts of the period, their hiring process focused almost exclusively on very elite law schools. Within the pool of applicants from these schools, firms looked for a basic level of achievement (a grade average of B or better) and key SES indicia.

Forty years later, the process – and the elite firms themselves – looked very different. Elite firms had grown enormously (by factors of ten or more), and thus had to do hiring on a much larger scale than before. The sharp increase in legal demand that accompanied this growth meant that a good deal of big firm business was coming from completely new sources, where social connections and the continuity they entailed were less relevant. At the same time, the rise of elite Jewish firms in the 1960s and 1970s brought greater pressure upon older firms to emphasize intellectual virtuosity over social connections. And the increased geographic spread of the elite firms meant that big firm practice was far less concentrated in New York

than had once been the case. All of these factors led firms to both broaden the range of law schools from which they hired, and to place greater emphasis on the grades of applicants. It is well known among those involved in law firm hiring – though not discussed much in public – that the great majority of big firms have adopted sliding scales that set rule-of-thumb grade thresholds at each school the firm selects from. Thus, an elite Chicago law firm might consider the pool of possible hires to include the top half of the class at the University of Chicago, the top third of the class at Northwestern, the top fifth at the University of Illinois, the top tenth at Loyola Law School, and so on.²⁶

One can see the shift in patterns even over the shorter period embraced by the two “Chicago Lawyer” studies by Heinz, Laumann and their collaborators. Using their data, we have created two categories of private law firms called “big” firms and “huge” firms based on their size relative to other firms at the time of each survey (see Table 6). In 1975, “big” firms had 60 or more attorneys (putting them at the 75th percentile of respondents age 40 and under in a firm setting), and “huge” firms had 150 or more attorneys (the 90th percentile of respondents age 40 and under in a firm setting). In 1994, “big” firms at the 75th percentile had 220 or more attorneys and “huge” firms at the 90th percentile had 500 or more.²⁷ We then examined the law school origins of lawyers at these firms. The changes over time are striking: In 1975, 92% of the younger lawyers at huge firms had attended a prestigious law school, and by 1994 that figure dropped to 52%.

Table 6: Proportion of Big or Huge Firm Attorneys in Chicago
Who Attended “Elite” or “Prestigious” Law Schools, by Age and Year

	Age 40 and Under in:		Over Age 40 in:	
	1975	1994-5	1975	1994-5
Big Firm	81%	51%	82%	57%
Huge Firm	92%	52%	100%	45%

Source: Chicago Lawyers Data. The definitions of “big” and “huge” firms are in the accompanying text; schools we define as “prestigious” include those Heinz et al define as “elite” and “prestigious”, roughly corresponding to the “top 20” schools; see *Chicago Lawyers* (1982) at 15-16 and Urban

²⁶ Thus, the recent recession produced many scenes at elite schools like one in Columbia in which a third of the class was passed over by the on-campus interview process. See the message board on this topic at www.top-law-schools.com/forums/viewtopic.php?f=23&t=117113.

²⁷ Note that while the designations “big” and “huge” were based on the sample of law firm lawyers, the table below presents various proportions of law school graduates no matter what their practice setting may be.

Lawyers (2005) at 24-25, as well as the notes to Table 10. Sample includes all respondents, no matter their practice setting.

The prevailing theory explaining the change in recruitment practices notes that as large firms expanded rapidly in size and number, elite law schools did not. This forced firms to dip deeper and deeper into the law school rankings to fill the vacancies in their associate ranks.²⁸ But today it is not unusual for firms to favor high achievers from less elite schools over law students at elite schools who aren't performing well, so the "limited resource" theory doesn't entirely explain the shift in recruitment patterns. (Ginsberg and Wolf, 2004)

Those who believe elite schools confer unique job market advantages often cite statistics about the predominance of elite school graduates among the ranks of big-firm partners. For example, Wilkins and Gulati reported in 1995 that "70% of all the partners in five large firms in top legal markets had graduated from one of the thirteen most prestigious law schools in the country."²⁹ What such statistics overlook is that the most elite law schools necessarily graduate a large proportion of the most talented students; these numbers, by themselves, say nothing about the value added by the elite degree. To see this point, consider a similar analysis in the recent paper by Oyer and Schaefer (2010). They estimate that 13.4% of the graduates of top ten law schools eventually become partners at elite law firms, compared with 8.9% of graduates from schools ranked 11th to 20th, and 3.5% of graduates from the 21st to 100th-ranked schools. They infer from these statistics that elite schools confer big advantages on their graduates. But the predominance of eventual big-firm partners from the ranks of elite school *alumni* is much less than the predominance of highly-credentialed college graduates among the ranks of elite school *matriculants*. It is far from clear whether the products from these schools are any more impressive than their starting ingredients.

Table 7 illustrates this idea. Columns 2 and 3 present data from the Oyer-Schaeffer analysis (which looked at 285 of the top 300 law firms) and a more recent analysis by Theodore Soto (which looked at the NLJ 100 firms). In each case, we have estimated the rate at which graduates from

²⁸ See Heinz et al., 2001; Gilson and Mnookin, 1988. However, if this were the only explanation, we would expect the less capable graduates from regional and local law schools to fizzle out of the law firm tournament earlier than their peers from elite schools. Robert Nelson found that the graduates of non-elite law schools who were enjoying access to the large firms for the first time were also holding onto their positions at a rate proportional to their entry. (Nelson, 1983)

²⁹ (Wilkins & Gulati, 1996); (Wilkins, 2005).

several tiers of law school eventually become partners at major firms, standardizing all these rates relative to the top-ten law schools. (Note that while, for purposes of comparison, we set the top-ten rate at “1.0”, in fact only a small fraction of even top-ten graduates achieve major law firm partnerships – less than one-in-seven, in the Oyer-Schaeffer analysis). We then used the AJD data to calculate the proportion of students at these schools who had credentials (LSAT and UGPA) that placed them among the top five percent, or top ten percent, of the entire AJD sample (as noted earlier, the AJD includes a fairly representative national sample of students graduating from law school in 1999 and 2000).

Table 7: Comparing Law School Tiers as Magnets of Human Capital and Sources of Big Law Firm Partners
(normalized to rate at “Top-10” schools)

(1) Law School Tier	Rate at Which Graduates Become Partners of Major Law Firms		Rate at Which Law Schools in Each Tier Matriculate Students Whose Pre-Law School Credentials Place Them at the Given Threshold in the National Pool	
	(2) Oyer-Schaeffer	(3) Seto	(4) 95 th Percentile	(5) 90 th Percentile
“Top 10”	1.00	1.00	1.00	1.00
“11-20”	.66	.75	.27	.46
“21-100”	.26	.30	.04	.25
“101-150”	.12	.11	.02	.03
“150-200”	.08	n/a	.02	.03

Sources: Column 1 is based on US News rankings; Column 2 is calculated from data in Oyer & Schaefer (2010); Column 3 is calculated from data in Seto (2011); Columns 4 and 5 are calculated from standardized LSAT and UGPA values in the AJD database. Note that columns (2) and (3) deals with graduates of the various law school tiers over a long period, while columns (4) and (5) are based on the 1999-2000 cohort of graduates captured by the AJD. Note, too, that because Seto’s data only ranks the top 150 schools (by number of partners graduating from those schools), column (3) understates the partnership rate at Tier 3 schools and could not be reasonably estimated for Tier 4 schools.

Table 7 suggests that the relative supply of top talent at the most elite schools (as measured by the share of students with very high credentials) is greater than the relative supply of big firm partners from those schools. By itself, this table tells us little about what school a given student should attend if she wants to maximize her chances of a big-firm partnership. But this analysis does show how silly it is to suggest, merely on the basis of raw numbers of partners produced, that elite schools are a magical route to the

brass ring. It reinforces our earlier point: while it is true that Columbia students as a group are somewhat more likely to be recruited by elite firms than Fordham students, it is no longer obvious – by any means – that a given student will be more likely to eventually land a big firm job (or a big firm partnership) if she attends Columbia than if she attends Fordham.³⁰ As we shall see, a critical part of the calculus, and one consistently overlooked by law school applicants, is whether she performs well in law school.

C. Law School Grades

As we noted earlier, law school grades are routinely derided as predictors of success. Even though it is well-known that judges care greatly about grades in choosing their clerks, that professors care about grades in choosing their research assistants, and that many employers insist on good grades in choosing new hires, most law school deans insist on regarding grades with disdain, bemoaning the importance that outsiders place on the credentials bestowed by the law schools themselves.³¹ How else can one explain the refusal of most law schools to officially acknowledge the class rank of their students? Or the routine efforts to mask student performance from employers by inflating law school grades and manipulating law firm recruitment methods?³²

Yet whenever it is possible to link law school grade data to either short- or long-term outcomes among lawyers, the evidence is indisputable that grades matter. Again, a simple comparison of two ways of looking at the same underlying data helps to show how easily the role of school eliteness can be overestimated, and the role of grades overlooked. Table 8 uses AJD data to summarize the earnings of young lawyers, sorted only by the tier of law school they attended. It seems to support the conventional perspective that elite education is destiny.

³⁰ Indeed, the Soto numbers show that, adjusted for relative enrollment sizes, schools ranked 21-30 (including schools like Indiana University at Bloomington, William & Mary, and University of Minnesota), produced big-firm partners at half the rate as the top ten law schools, a remarkably small difference compared to the conventional wisdom. Soto's analysis points out that geography accounts for much of the variation among law schools; thus, if one took into account the proximity of most top-ten law schools to major legal markets, their relative share would shrink even further.

³¹ Many law schools forbid legal employers to prescreen their students using grades (Ginsburg and Wolf, 2004).

³² Such policies might be thought of as merely redistributive – hurting strong-performing students while helping a school's weakest students -- but it is likely that the overall effect is harmful, since employers will tend to favor hiring from schools where they can accurately assess student performance.

Table 8: Earnings of Young Lawyers by Law School Tier
(AJD First Wave, 2002-03)

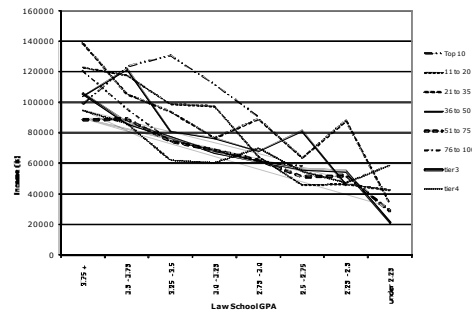
Law School Tier	Average Earnings
Top 10	\$127,000
Tier 2 (11-20)	\$104,000
Tier 3 (21-35)	\$94,000
Tier 4 (36-50)	\$84,000
Tier 5 (51-75)	\$75,000
Tier 6 (76-100)	\$80,000
Tier 7 (101-150)	\$69,000
Tier 8 (151-200)	\$68,000

Source: AJD First Wave; calculation by the authors.

Now consider Figure 2, which analyzes the same data, but controls for each lawyer's pre-law credentials (LSAT and UGPA), race, and gender, and plots earnings against (self-reported) law school GPA for lawyers within each law school tier. The "top ten" line is elevated over some grade ranges, but otherwise the effects of eliteness seem rather subtle. Law school GPA, in contrast, seems to play a dominant role over most ranges in most school clusters.³³

³³ In earlier work, one of us collaboratively produced an analysis similar to Figure 2, but in table form. See Dinovitzer, Garth, Sander, Sterling and Wilder, 2004. Oyer and Schaefer (2010) use a similar figure with a critical difference: they use self-reported class rank rather than self-reported grades. The lines in their figure are flat, leading them to conclude that grades are unimportant. But the Oyer-Schaefer figure merely illustrates the inferiority of self-reported class rank to self-reported GPA as a measure of law school performance. The vast majority of AJD respondents (81%) reported that they were in the top half of their classes, and the over-reporting is even worse for the top ten schools (with 94% reporting that they were in the top half of their graduating class). The AJD's self-reported college grades, in contrast, correlate well with actual college GPA data obtained from LSAC. As we discuss *further* below, *infra* note 37, a significant error in the measurement of grades will tend to substantially *understate* the importance of grades in any measurement of subsequent outcomes.

*Figure 2: Median Earnings of Young Lawyers
By Law School Tier and Grades*



Source: After the JD, Phase I; earnings are those reported 2-4 years after law school graduation; and are generated by plotting income differences by law school GPA and eliteness that remain after controlling in an OLS regression for LSAT, UGPA, gender and race.

Figure 2 leaves little doubt that grades matter at the outset of careers, but perhaps that merely reflects the widespread use (among legal employers) of grades as a screening device. What about the longer term? Table 9 gives us a remarkable insight into this question.

As we noted earlier, researchers at the University of Michigan Law School have, for several decades, diligently surveyed alumni fifteen years out of law school, asking about the work history, current job setting, and earnings of graduates; they have matched this data with law school transcripts, giving us accurate information about grades. To create Table 9, we assigned all UMLS graduates who graduated from 1972 through 1985 to one of ten GPA deciles (standardized by year of graduation), and we identified which students joined medium-sized or large private law firms after graduation (defined as firms with fifty or more attorneys).³⁴ We then determined who among those initial cohorts was still with their original firm fifteen years later; since this was an era before “permanent associates” became common, virtually all of these survivors are partners by the time of the 15-year survey. To avoid the possible confounding effects of affirmative action or discrimination, Table 9 presents data only for white alumni.

³⁴ A fifty-attorney firm seems small now, but recall that during at least the beginning of this period many (if not most) high-status firms still had fewer than one hundred lawyers.

Table 9: White Hiring to, and Attrition from, Big Law Firms, Among U. of Michigan Law Grads, Classes of 1972-1985, surveyed 15 years later

(a) Grade Decile	(b) White Respondents to 15-year survey who started at firms with 50+ lawyers	(c) Those in (b) who were still with original firm 15 years later	(d) Those in (b) no longer at original firm	% Still at Original Firm (c/b)
Highest	185	60	125	32%
9 th	236	56	180	24%
8 th	207	55	152	27%
7 th	157	26	131	17%
6 th	136	33	103	24%
5 th	94	13	81	14%
4 th	62	12	50	19%
3 rd	58	7	51	12%
2 nd	32	3	29	9%
Lowest	25	1	24	4%
Total	1192	266	926	22.3%

Source: UMLS 15-year-surveys of alumni for classes of 1972-85; see text for details.

This table shows two phenomena rather clearly. First, it is obvious that getting higher grades at Michigan was associated with a higher chance of working at a large law firm. While it is conceivable that some self-selection is at work, it is much more likely that most of this association is due to the law firms' use of grades as a screening device in hiring (the 10th decile alumni were less likely to start at big firms than the 9th decile alumni mainly because many of them first did judicial clerkships). Second and more important, GPA is strongly predictive of one's survival at the big firm. Alumni with high grades were several times more likely to still be at the same firm they started at – i.e., to make partnership at that firm – than alumni with low grades. One should keep in mind that the relationship must be even stronger than this chart suggests, because the low-GPA UMLS graduates who show up in this analysis are those selected by the big firms *despite* their low GPAs; thus, they presumably had a higher chance of survival than would typical UMLS grads with low grades. The implication of this chart is that the big firms – which supposedly obsess over hiring associates with high grades – were actually placing *too little* weight on grades for this pool of Michigan students.

Part of the reason we find this particular analysis so powerful is that grades clearly have little or no “credentialing” value in partnership decisions.³⁵ We are examining lawyers who have joined their firms right out of law school; it is highly unlikely that firm promotion committees ever again look at the transcripts of their associates after the initial hiring decision, so the effects of law school performance on these partnership outcomes is entirely indirect – that is, they matter only because they must predict something about the lawyer’s *performance* at the firm. Thus, these patterns among the UMLS alumni provide very strong evidence that law school grades are much more than a “credential”; they powerfully predict long-term success.

We cannot directly confirm the UMLS finding against the first wave of the AJD data, which only covers the first few years of lawyer careers. But there are unmistakable signs of a similar pattern. Table 10 shows that, among the pool of young lawyers (in the AJD) working at large firms, the lawyers that left law school with the lowest grades feel the least secure about their jobs.

³⁵ An ironic confusion in the debate about law school grades and success in law firms is the (correct) insistence by many observers that firms do not consult law school transcripts in making partnership decisions. In his New York Times piece, cited *supra* note 20, Jonathan Glater quoted Reid Wingarten, “a well-known litigator at Steptoe & Johnson,” as observing that “grades received years earlier in law school had little to do with promotion. ‘You don’t want to know about my grades,’ said [Wingarten]”. Similarly, Jay Zimmerman, the chairman of Bingham McCutcheon, a global law firm, wrote an email to Bingham lawyers in response to news coverage of Sander’s *Racial Paradox*. “Grades are one of many components that we consider when evaluating candidates for hiring, and we consider grades within a certain range to be indicative of the necessary intelligence and acumen that it takes to be a successful lawyer. By the time one of our lawyers is being considered for partnership, grades are almost irrelevant.....” Zimmerman email to staff, Dec. 7, 2006 (available upon request).

This, of course, is exactly why Table 7 is so compelling. Firms are *not* considering grades when making partnership decisions; in fact, the key decision-makers almost certainly have no idea what grades candidates for partners received in law school. If they nonetheless disproportionately choose candidates with high grades, then the grades are effectively predicting other talents that make the candidate successful.

Table 10: Perceived Job Security of Large Law Firm Associates
(White Respondents in the AJD First Wave)
“How satisfied are you with the job security of your current position?”
Responses on a 1-7 scale with 7=“Highly Satisfied”

Law School GPA	Average Job Security Response	N
3.75+	4.9	55
3.5-3.75	4.5	128
3.25-3.5	4.4	110
3.0-3.25	4.2	52
2.75-3.0	4.1	15
2.5-2.75	3.2	5

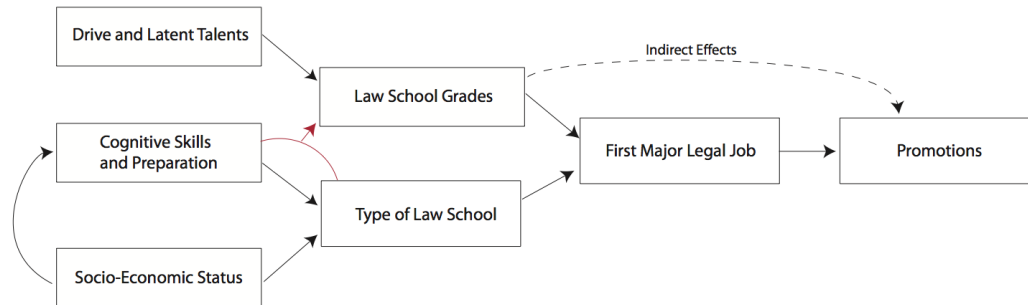
Source: First wave AJD data, authors' calculations

It remains to consider just what qualities high grades are measuring. In the standard law school discourse, high grades are dismissed as simply measuring the ability to perform well on timed exams that require the regurgitation of crammed material. Clearly, high grades measure much more than this – they capture motivation, organization, ambition, writing ability, and learning, all in a context of measurement against a specific set of peers where relative, not absolute, performance matters. As we shall see in Parts III and IV, the multiplicity of things measured by law school grades makes it challenging to model its causal function.

III. COMPARING THE FACTORS

We have seen some evidence that SES and law school eliteness have declined in importance as gateways to elite legal careers, while law school grades seem more important than is generally assumed. These findings suggest that the traditional heuristic of lawyer career trajectories (shown in Figure 1) might be modified to look something like the Figure below. In this model, we hypothesize that social class plays an important role in determining one's law school (both directly, and indirectly through the effect of SES upon academic preparation and cognitive skills), but it plays no direct role in post-graduate outcomes. Law school eliteness has a significant effect upon initial post-graduate placements, but law school grades play a comparable or even greater role. Moreover, law school achievement (as measured by grades) has a long-term, though indirect, effect on careers, while law school eliteness is a quickly depreciating asset.

Figure 3: A Model of Legal Careers Suggested by Part II Findings



In this section, we test these hypotheses and directly compare social background, school eliteness, and law school grades by using regression analysis to predict career outcomes for panels of attorneys. The ideal panel would be a large, national sample of the entire population of lawyers, with rich data on social background and precise data on law schools attended and grades received. Nothing quite like this exists, but we will make use of the best available alternatives, the Chicago Lawyers datasets and the AJD.

A. Chicago Lawyers Analysis

As noted in our introduction, the Chicago Lawyers data comprises two panels, created roughly twenty years apart, each comprised of nearly eight hundred attorneys practicing within the city limits of Chicago. Heinz, Laumann and their coauthors were interested in many of the same questions that interest us, so they captured much, but not all, of what we would like to measure: law school attended, current position, income, and several measures of social background. The dataset does not include pre-law academic preparation (neither LSAT scores or undergraduate grades), and the only measure of law school performance is self-reported class rank. This last is a doubly imperfect measure, first, because law graduates often do not know their actual class rank, and second, because self-reported performance measures are routinely inflated. Thus, some 20% of the Chicago respondents reported that their class rank placed in the top tenth of their class, and nearly 50% placed themselves in the top quarter.

Table 10 shows simple OLS regressions predicting the respondent's income percentile among all respondents.³⁶ The results are rich and telling. In 1975, law school eliteness is associated with higher incomes, though the relationship is not quite statistically significant for even the top tier of law schools. The importance of self-reported class rank is roughly comparable to law school eliteness in its importance. One key measure of social eliteness – having a father in the legal profession – has a large and positive impact upon income in 1975.

By 1994 the picture has changed substantially. Self-reported class rank is the dominant explanatory variable, with a 27-percentile difference between those reporting that they are at the top versus the bottom of their class. The coefficients on law school eliteness are strengthened as well, but less so. The range of predictive power associated with class rank is more than double that of law school tier. Having a parent who is a lawyer no longer has any impact on earnings, and neither do the other measures of social status.³⁷

³⁶ We used income percentile as a dependent variable for two reasons: one, to make the 1975 and 1994 regressions more directly comparable by putting incomes into a relative rather than absolute range, with more accessible, easy to interpret coefficients, and second, because income inequality among Chicago lawyers increased significantly between 1975 and 1994, and we did not want the 1994 results to be unduly influenced by particularly low or high values. One problem with using percentiles is that it imposes a uniform distribution on the data, violating the normality assumption of OLS regression. We therefore also ran these analyses using income standardized by cohort as the dependent variable; the results were quite similar, so we feel justified in presenting the percentile results. These alternative specifications are available from the authors.

³⁷ Catholics have higher incomes than non-Catholics in the 1994 data, and the coefficient is close to significant. But this seems like evidence against the social eliteness theory rather than in favor of it, since Catholics in Chicago had no obvious advantage in the local legal hierarchy.

Table 10: OLS Regression on Income Percentile, Chicago Lawyers Survey

Predictor	1975	1994	1994 (full model)
Elite Law School	8.64 (4.47)	7.53* (3.37)	7.83* (3.40)
Prestige Law School	2.53 (4.69)	4.71 (3.36)	5.08 (3.37)
Regional	-reference-	-reference-	-reference-
Regional-Low Law School		-2.45 (3.58)	-2.17 (3.59)
Local Law School	0.69 (4.19)	-5.66* (2.66)	-5.44* (2.67)
Class Rank: Top 10% or Law Review	5.60* (2.79)	12.09*** (2.48)	11.69*** (2.51)
Class Rank: 11 th -25 th Percentile	3.78 (2.83)	9.50*** (2.39)	8.96*** (2.42)
Class Rank: 26 th -50 th Percentile	-reference-	-reference-	-reference-
Class Rank: 51 st -75 th Percentile	-0.88 (4.09)	-4.16 (3.16)	-4.39 (3.18)
Class Rank: Bottom Quarter	-8.42 (7.92)	-15.10** (5.62)	-15.49** (5.67)
Female	-12.75* (5.94)	-11.58*** (2.11)	-11.24*** (2.12)
Age	0.57*** (.08)	0.45*** (.09)	0.46*** (0.09)
Black	-5.01 (6.71)	-5.62 (4.60)	-5.41 (4.63)
Asian		-3.30 (9.24)	-2.40 (9.28)
Other	12.29 (9.71)	-1.30 (2.15)	-1.69 (4.46)
Father is a lawyer	9.18* (3.75)	-0.39 (3.14)	-0.09 (3.18)
Father is a professional	-4.85 (2.82)	-0.80 (2.03)	-0.27 (2.08)
From a large city	4.57* (2.27)	-3.43 (2.06)	-3.61 (2.08)
Mother is a lawyer or professional			-1.21 (2.29)
Protestant- High			3.78 (3.97)
Protestant- Low			3.94 (3.08)
Catholic			5.43 (2.79)
Jewish			4.07 (5.06)
R ²	.14	.21	.21
N	580	782	782

Notes to Table 10. Chicago Lawyers primary data from 1975 and 1994-95 surveys. "Elite" schools include Chicago, Columbia, Harvard, Michigan, Stanford and Yale; "prestige" schools includes other schools in the "top 20"; "regional" includes the University of Illinois, as well several other state law schools (the authors demoted Wisconsin to the "regional" group in the 1994-95 study; "local" includes Chicago-Kent, DePaul, John Marshall, and Loyola (Chicago). The "high" and "low" protestant classifications are based on the same categorization used by Jack Heinz and Edward Laumann in Chicago Lawyers (1982). Protestant-High includes survey respondents that identified themselves as Presbyterians, Episcopalians, and Congregationalists. Protestant-Low includes Lutherans, Methodists, Baptists, and the residual categories (among respondents that identified as Protestant).

Of course, since there is significant error in the measurement of law school grades, these models almost certainly understate their full importance.³⁸ Moreover, since we are here considering long-term career outcomes – not short-term recruitment – the effect of law school performance is not simply a credentialing effect of high grades leading to attractive job offers. Something about doing well in law school is strongly associated with lasting career success, and proves to have more efficacy than law school eliteness.

The eliteness of one's law school is, compared with grades, a relatively weak explanatory factor in the 1994 equation.³⁹ And while the grade coefficients are biased in a way that understates their actual influence, the law school coefficients are almost surely overstated. The Chicago Lawyers equations do not include measures of pre-law credentials, such as LSAT scores and undergraduate grades. Since these factors do predict income for broad cross-sections of lawyers, and since the tight hierarchy of law school admissions makes law school eliteness a close proxy for student credentials, an unknown but probably large part of what seems to be explained by school eliteness is actually just a measure of pre-law credentials.

B. After the JD Analysis⁴⁰

The first wave data from “After the JD” (“AJD”) comprises forty-five hundred attorneys; the database has different strengths and weaknesses compared to Chicago Lawyers. It is a national sample, but it focuses on a cross-section of attorneys a few years out of law school; analyzing it thus allows us to examine lawyers in their initial placements or the very early stages of career development. It includes measures of pre-law academic preparation (actual undergraduate grades and LSAT scores), law school, and various measures of social status and background. It includes both self-

³⁸ One can show mathematically that measurement error in an independent variable will reduce the true association of the variable with the dependent variable; attempts to address this “errors-in-variables” problem exist as well. To get a feeling for the size of this problem, suppose we have one hundred observations of two variables that have a correlation of .75. If we repeatedly add an (average) 20% measurement error to one set of observations, the correlation will fluctuate with each iteration, but will, on average, be more than twenty percent lower. For a technical treatment, see Cochran, 1968.

³⁹ See note following table for the classification of law schools into strata.

⁴⁰ These analyses of the AJD were motivated in part by Oyer and Shaefer (2010), who in turn were building on our earlier work (Sander, 2004). In 2007, Sander and Juan Pantano, in an unpublished analysis, used the Chicago Lawyers data to model the effect of law school eliteness, using a model very similar to that used by Oyer and Schaefer (2010). When we encountered an early version of Oyer and Schaefer's work last year, we were struck by the absence of important controls -- such as LSAT and regional cost differences -- and their failure to give due consideration to the impact of law school performance.

reported law school class rank and self-reported law school grades (as noted earlier, the latter measure is more accurate, though of course not as good as actual transcript information⁴¹).

Table 11 reports the results of OLS regressions on the natural log of salaries. The models build on one another, incorporating new factors that we found to be important at each step. The first model (column M1) includes independent variables for law school tier, socio-economic status, and demographic controls, but makes no effort to control for the lawyer's cognitive skills (LSAT) and undergraduate academic performance. The coefficients for the most elite schools are extremely high, suggesting that AJD graduates of Top 10 schools earned 54% more than graduates from schools ranked 36-50 (+.43 log points), when controlling only for race and socioeconomic background. Model 2 shows that by adding just two more independent variables—LSAT and Undergraduate GPA—the premium for elite graduates drops considerably.⁴²

⁴¹ See *supra* note 33 and text on the bottom of page 27.

⁴² Oyer and Schaefer omit LSAT and actual UGPA from their model, and justify the omissions by arguing, counter intuitively, that LSAT is not a very important predictor of career outcomes, based on an analysis of the University of Michigan Law School Alumni dataset. There are two problems with this argument: first, looking at credential effects within a single school creates severe restriction of range problems, since the students are relatively homogenous; and second, our inclusion of those variables in Model 2 shows that LSAT is, in fact, powerfully associated with earnings when controlling for law school eliteness. Indeed, regressions including LSAT and UGPA but excluding law schools (not shown here) are very nearly as powerful as regressions including law schools but excluding LSAT and UGPA.

Table 11: OLS Regression on Log(Salary) Using AJD

Predictor	M1	M2	M3	M4	M5
Top 10 Law School	.43*** (.04)	.32*** (.04)	.23*** (.04)	.22*** (.04)	.27*** (.04)
Ranked 11-20	.22*** (.03)	.14*** (.04)	.11** (.04)	.10** (.04)	.16*** (.04)
Ranked 21-35	.11** (.03)	.06 (.04)	.04 (.04)	.03 (.03)	.04 (.03)
Ranked 36-50	-reference-	-reference-	-reference-	-reference-	-reference-
Ranked 51-75	-.10** (.03)	-.13*** (.03)	-.12*** (.03)	-.14*** (.03)	-.12** (.04)
Ranked 76-100	-.05 (.04)	-.05 (.04)	-.08* (.04)	-.10** (.04)	-.08* (.04)
Tier 3	-.17*** (.03)	-.16*** (.04)	-.17*** (.03)	-.17*** (.03)	-.16*** (.04)
Tier 4	-.24*** (.03)	-.22*** (.04)	-.20*** (.04)	-.21*** (.04)	-.21*** (.04)
zLSAT		.06*** (.01)	.05*** (.01)	.03** (.01)	.03** (.01)
zUGPA		.01 (.01)	.01 (.01)	.00 (.01)	.00 (.01)
LGPA: 3.75+				.25*** (.04)	.35*** (.06)
LGPA: 3.5-3.75				.20*** (.03)	.29*** (.04)
LGPA: 3.25-3.5				-reference-	-reference-
LGPA: 3.0-3.25				-.04 (.03)	-.04 (.03)
LGPA: 2.75-3.0				-.13*** (.03)	-.06 (.06)
LGPA: 2.5-2.75				-.20*** (.05)	-.14* (.07)
LGPA: 2.25-2.5				-.19* (.09)	-.14 (.10)
LGPA: Below 2.25				-.42** (.15)	-.38* (.16)
High Tier- Low Grades					-.30** (.09)
Demographics & SES	Yes	Yes	Yes	Yes	Yes
Cost of Living	No	No	Yes	Yes	Yes
Private Practice Only	No	No	No	No	No
R ²	.22	.24	.29	.32	.33

Source: AJD Survey data. All models include controls for undergraduate major categories (biology, humanities, engineering, and science. Social science is the reference category.) Demographic controls include indicators for marriage, gender, missing age, religion (Catholic, Protestant, and Jewish), and ethnicities (black, Hispanic, Asian, other), and continuous variables for age and age². SES Controls include proportion of law school tuition paid with loans, proportion of law school tuition paid by family, a dummy for missing tuition payment information, categorical variables for mothers' and fathers' education levels, an indicator variable for having no lawyers in the family, and a dummy for missing information about lawyers in the family. Cost of living is a single continuous variable where average=1. For references, New York City is 2.147. Controls for grade-tier interactions include six indicator variables for each combination of "high", "mid", and "low" tier (1-25; 51-100; and Tiers 3&4, respectively) and "high" and "low" grades (higher than 3.5, or lower than 3.0, respectively). Significance levels: * = $p < 0.05$, ** = $p < 0.01$, *** = $p < 0.001$

Model 3 includes a cost of living control based on the geographic location of the respondent, which improves fit and again sharply reduces the size of the law school tier coefficients. One might wonder whether it is sound to include this control – is the greater concentration of elite law graduates in major metropolitan areas merely a symptom of their access to more elite jobs? Perhaps the causation runs in both directions, but we are persuaded that the inclusion of a cost of living control is sound for two reasons. Measured cost-of-living variations across the geographic tiers are very substantial, and will clearly affect the standard of living for lawyers. A lawyer earning \$100,000 in New York is not living in the same social stratum as a lawyer earning \$100,000 in Utah. If we want to study effective salaries, controlling for these differences is crucial.⁴³ Moreover, the regional salary differences are reflected even in the earnings of AJD lawyers who are clearly *not* at elite firms.⁴⁴

Model 4 adds law school grades, which have large coefficients and emerge as somewhat more powerful predictors of salary than law school tier.⁴⁵ Since these grade measures are self-reported, the error-in-

⁴³ We have run Model 5 using a dependent variable that divides salary by the cost of living index so that we could assess the true buying power of lawyers. For these analyses, the coefficient on Top 5 law schools diminishes and loses all statistical significance compared to the reference group (schools ranked 36-50). Apparently Top 5 graduates settle almost exclusively in the most expensive parts of the country. All other coefficients are more or less the same—schools ranked 6-10 continue to generate very strong coefficients, and the range of coefficients on law school performance is larger than that for law school eliteness. Since cost of living standards do not incorporate aspects of city life that can lead to social and cultural satisfaction, we recognize that this approach will not be widely accepted as a measure of success. For that reason we do not report the findings here.

⁴⁴ For lawyers at small firms (<20 attorneys), the average salaries of lawyers at firms with fewer than 20 lawyers are \$92,000 in New York, \$73,000 in the other large metropolitan regions, \$64,000 in smaller metropolitan regions, and \$59,000 in rural settings. This does not entirely address our concerns about the direction of the causal arrow since New York and the other large metropolitan areas have disproportionately low numbers of lawyers at small firms—perhaps some lawyers are driven out of higher-salaried geographic regions and into the regional markets with more appropriate job opportunities. For this reason, we have run models 4 and 5 without geographic controls as well. The only coefficients significantly affected by geography are the coefficients on law school tier. Since the effects of law school grades are not changed when we remove geographic controls despite being the strongest predictor of salaries, we believe the most plausible scenario is that graduates of higher-tiered schools are willingly choosing to live in metropolitan areas where the cost of living—and, therefore, the salaries—are higher.

⁴⁵ Some readers may think that our school eliteness measure should split the “top ten” schools into “top five” and “six-to-ten”, on the grounds that the “super-elites” will command super-premiums in the job market. In fact, regressions that do this show a *smaller* income premium for the top five schools than for the next five. The reasons are a mystery, though Bryant Garth and Ronit Dinovitzer (2009) have suggested that graduates of the most elite schools are simply not satisfied with the lifestyle of the large corporate firms.

measurement problem implies that the reported coefficients are, if anything, *understatements* of the effect law school performance has on earnings.⁴⁶ Model 5 adds tier-grades interaction terms to account for the grade inflation at higher-ranked schools, and sure enough the market corrects for the grade-inflation; graduates from schools in the top 25 of the law school rankings who leave school with a GPA under 3.0 will see their salaries docked an average of 26% (.30 negative log points).⁴⁷

Socioeconomic variables and demographic variables are included in all five models.⁴⁸ Having parents who are lawyers or professionals has no effect; only one of the twelve categorical variables characterizing mother's and father's education was statistically significant. The AJD did not measure parental income; the closest surrogate, receiving substantial law school tuition assistance from one's parents (which implies higher income) had a weakly significant negative effect. However, there was a notable association between the respondent's income and her religion; compared to those with no professed religion, Protestant respondents had 5% higher earnings, and Catholics had 8% higher earnings (net of other factors). Since the coefficient for Jewish respondents is also positive (though not significant), this finding mainly highlights the lower expected earnings of those with no religious affiliation.

In an alternate formulation of these AJD models, we used a single summary measure of parental socioeconomic status, drawing on the AJD's information about the education and occupation of respondents' parents to

Another potential anomaly in the eliteness coefficients is the relatively good performance of schools ranked 51-75. It appears that many schools in the 35-50 range are well-regarded but far-flung state law schools, while many schools in the 51-75 range are private schools in large metropolitan markets. An analysis by Moriss and Henderson (2008) finds that the 51-75 schools draw a larger number of on-campus-interview slots from law firms than the 35-50 range schools.

⁴⁶ The AJD data also collected self-reported class rank information, but this data was even less reliable than self-reported grades. 50% of the respondents put themselves in the top quarter of their law school class, and graduates of the most elite schools were the worst offenders (i.e. 57% of graduates from Top 10 schools were allegedly in the top 25% of their class.) As imperfect as it is, the self-reported GPA data is much more stratified and reliable than the class rank data. The BPS dataset has accurate law school grade data (collected from the student records), but suffers from poor income data (collected at varying times and shortly after law school, and top-coding all incomes above \$85,000.) Nevertheless, graduates in the top 10% of their law school class earned 20% more than a similar student at the median of her class.

⁴⁷ We also ran Model 4 with hourly earnings as the dependent variable. The number of hours a lawyer works influences her earnings, but since it is itself influenced by practice area and the opportunities available to a new lawyer, there is a good argument for leaving it out of the analysis. In any event, our "hourly earnings" model shows patterns entirely consistent with those reported in Table 11, with a lower R^2 and with the effect of an elite school even less impressive. This alternative specification is available from the authors.

⁴⁸ The most significant of these variables was college major, in that engineering majors earned 30% more than otherwise equivalent social science majors.

create a single “SES index” on a scale of 0 to 100.⁴⁹ We reasoned that our detailed categorical variables for parental education and occupation (used in Models 1 through 5 in Table 11) might be dissipating a real SES effect across too many categories. The SES index variable, however, was not statistically significant in any formulation, and its coefficient, though positive, was tiny.⁵⁰

To further explore our AJD findings, we tested a model in which the outcome of interest was whether a respondent was working at a large firm (here defined as one where the total number of lawyers at the firm – not just the respondent’s office of the firm – totaled three hundred or more). Since this is a “yes/no” outcome, we used a logistic regression and report our results as odds ratios. These results are summarized in Table 12. The results closely match the income models in Table 11. School eliteness matters, especially if one attends at “top 10” school. But the coefficients for law school GPA are larger than those for school eliteness. Being Catholic again emerges as the most notable socioeconomic predictor; indeed, the interpretation of this regression is that Catholics are 64% more likely than similar non-Catholic respondents to be working at a big firm.⁵¹ (The earnings effect of this higher big-firm propensity can roughly account for the earnings premium for Catholics in Table 11.) Importantly, neither high socioeconomic status, nor coming from a family of lawyers, has any measurable effect upon gaining a foothold at a big firm.

⁴⁹ The detailed methodology for creating this index is described in Sander (2011a), Appendix A.

⁵⁰ The regression results for these models using an SES index, as well as the full regressions (including coefficients for individual SES variables) from Table 11, are posted at www.seaphe.org/working-papers.

⁵¹ This is an interesting finding, worth further investigation that is beyond the scope of this paper. Fifty years ago, being Catholic would probably have been a significant disadvantage in advancing to elite practice. This suggests an interesting reversal. We only offer two findings in passing. First, we have noticed in our own research that students attending Catholic high schools are far more likely than their peers to attend college – even when controlling for race, SES, urban/suburban/rural residence, and many other factors. Second, as a reviewer pointed out, being Catholic has in recent years been rather strongly associated with elevation to the Supreme Court! (Though here the sample size is, of course, severely restricted...)

Table 12: Logit Regression on Having a “Big Law” Position

Predictor	Big Law (odds ratios)
Top 10 Law School	2.01** (.45)
Ranked 11-20	1.34 (.28)
Ranked 21-35	0.87 (.18)
Ranked 36-50	-reference-
Ranked 51-75	0.48*** (.10)
Ranked 76-100	0.72 (.16)
Tier 3	0.32*** (.08)
Tier 4	0.18*** (.06)
LGPA: 3.75+	2.94*** (.73)
LGPA: 3.5-3.75	3.17*** (.57)
LGPA: 3.25-3.5	-reference-
LGPA: 3.0-3.25	0.62* (.13)
LGPA: 2.75-3.0	0.38** (.12)
Protestant	1.14 (.21)
Catholic	1.61** (.36)
Jewish	0.89 (.28)
Demographic Controls	Yes
SES Controls	Yes
Geographic Controls	Yes
Grade-Tier Interactions	No

Somers' D = .63

Source: After the JD, first wave data; the parameters and methods of this model match those of Model 4 in Table 11. The Somers' D measures the net improvement in one's ability to predict whether a lawyer worked at a big firm by taking into account the variables in the model.

All of the regressions we have examined, from both the Chicago Lawyers and the AJD data, provide strong support for the hypotheses with which we began this section. Coming from a high-status background still had, arguably, some positive effect upon career outcomes in the mid-1970s;

in more recent data, it has no detectable effect. Law school prestige is important – especially attending a “top ten” school – but its positive effects are consistently smaller than the effects of high law school grades. If anything, these GPA effects show up more strongly in the Chicago Lawyers 1994-95 data, which implies that the long-term effects of GPA upon careers are even larger than the short-term credentialing effects – a conclusion borne out as well by the Michigan alumni data in Table 8. Moreover, law school eliteness (particularly in the AJD analyses) is mostly a one-edged sword: coming from a very elite law school is undoubtedly helpful, other things being equal, but diminishing levels of eliteness have smaller and smaller effects. Law school grades, in contrast, are a double-edged sword: poor grades are as harmful to one’s career as good grades are helpful.

Grades, then, clearly matter. The next question is, why?

IV. WHAT DO GRADES MEASURE?

The very strong association between law school grades and later career outcomes for lawyers might reflect a host of underlying causal influences. High grades are, of course, a valuable credential, useful in getting a good first job. But the analyses in Tables 8 and 11 show that grades are much more than that. Motivation, diligence, exactitude, energy, learning, previously acquired human capital, competitiveness: surely grades are influenced by all these things and more. A definitive parsing of relative influences is well beyond the scope of this paper. But some partial answers can be inferred from the available data.

First, we can largely rule out the possibility that our results simply measure grade inflation. Grading standards tend to be more generous at more elite schools, so one might conjecture that high grades are an indirect measure of school eliteness. Of the three databases we use in our GPA analyses, however, two (the Michigan alumni data and Chicago Lawyers data) use class rank; only the AJD might suffer from this bias. We tested for any bias by selecting those schools in the AJD which had more than [forty] respondents, and calculating relative grades among those respondents to infer a quasi-class rank. Regressions on earnings that used this “class rank” measure were not different in important ways from those reported in Table 11.⁵²

⁵² The only notable difference is that some of the school eliteness variables lose significance in this model with standardized grades. This might be because the sample size is smaller, or it might be

Second, it is worth noting that *undergraduate* grades (UGPAs) have virtually no explanatory power in any of the models we examine. True, UPGA is intrinsically a noisier measure, since the courses and specializations of college are more varied than those of law school, and most law schools still use something like a standard curve to assign grades. Still, if law school grades were predictive of career outcomes principally because of the character traits they measure, one would expect that those traits would produce enough similarity across UGPA and law school grades to give the two comparable explanatory power. The near-total irrelevance of UGPA suggests that there is something special about *law school* performance.

Third, it is clear that grades are influenced by one's relative credentials as an entering student. This makes intuitive sense, of course, but we can also measure the effect by taking advantage of survey data in the Bar Passage Study (BPS). The BPS entering student questionnaire asks respondents a number of questions about their application process for law school, such as how many schools they applied to, how many admitted them, whether they were admitted to their "first choice" school, and whether they enrolled in that school, or passed it up to attend another school for geographic or financial reasons (if so, we refer to them as "second choice" students). First-choice schools tend to be more elite than second-choice schools; for example, a student might wish to go to Northwestern and gets in, but settles for the University of Illinois because it is less expensive.⁵³ By controlling for each student's credentials, we can usefully compare first-choice and second-choice students; this method minimizes the "selection effects" (i.e., bias caused by unobserved variables) that plague most attempts to compare students at schools of differing eliteness.⁵⁴ Table 13 uses this technique, in an OLS regression, to estimate the impact of going to a first-choice school on a student's subsequent (and here, standardized) law school GPA. Not surprisingly, the regression equation shows that first-choice students end up with somewhat lower grades. By then measuring the average "rankings" gap between first-choice and second-choice schools, one can then estimate the GPA "cost" of attending a more elite school.

that the correlation between eliteness and high grades helps the "eliteness" coefficients in Table 11. The important point for our story is that grades continue to dominate school eliteness in all models.

⁵³ As we noted in Part I, most law school applicants go to the most elite school they get into, regardless of other considerations; in accordance with this, about seven-eighths of BPS students who got into their "first choice" school matriculated there; the other eighth are our second-choice cases.

⁵⁴ And indeed, the average credentials of second-choice students are almost identical to those of first-choice students. See Williams (2011) for a discussion of the unobserved credential problem, and the advantages of the "second-choice" method for dealing with it.

Table 13: The Effect of Attending a More Elite School on Performance
(OLS Regression on Standardized Law School GPA)

Predictor	All Law Schools	Top Two Tiers (roughly “top 30”)
Attended “First Choice” School	-.191** (.032)	-.383** (.069)
Undergraduate GPA	.343** (.032)	.385** (.065)
LSAT	.029** (.003)	.026** (.005)
Demographic controls	Yes	Yes
Parental education controls	Yes	Yes
Scholarship controls	Yes	Yes
R ²	.21	.23
N	5,967	1,900

Source: Authors’ analysis of Bar Passage Study data. The regression examines students who applied to and were admitted to their “first choice” law school; a fraction of these students turn down this school and attend a (usually) less elite school for financial or geographic reasons. The “first choice” variable estimates the effect on the student’s GPA, in standard units, of attending a somewhat more elite school.

The measured effect is surprisingly large, especially considering that the average difference in school ranking between a “first choice” student and a comparable student who attends a “second choice” school is only one-third of a tier (there are six tier clusters in the BPS). Making a modest extrapolation, we find that moving up one tier is associated with a drop of about three-fifths of a standard deviation in grades. For BPS students in the top two tiers (together, roughly the top thirty schools), moving from the second tier to the top tier corresponds to a drop of more than a standard deviation in GPA.

When we combine the results from Table 13 with the coefficients obtained in Table 11, the implications are startling: the grade swings associated simply with attending a school of greater or lesser eliteness are large enough to essentially cancel out the short-term income benefits of a more or less elite law degree. A drop of two-tenths of a GPA point translates, on average, to an 8% drop in early-career earnings, which is similar to (or even a little larger than) the average increase in earnings from moving up a law school tier. (The “tier” benefits are higher at the top, but so, our analysis shows, are the grade “costs” of moving up.)

These findings suggest that for a great many law students, the choice of law school within a certain range is a largely fungible decision. Going to a somewhat less elite school will have offsetting GPA benefits, and the benefits (as measured by short-term income) of the higher GPA will cancel out the costs of a less elite degree.

As we and others have suggested elsewhere (e.g., Sander 2004, Williams 2011), attending a school where one's credentials are far below the median student may result not just in lower grades, but significantly less learning (as measured by subsequent bar outcomes). These mismatch effects are unlikely to be involved in most of the modest positional swaps we are discussing in this section, where a student is choosing between having credentials at the 60th percentile of his classmates at School A, or having credentials at the 40th percentile of his classmates at moderately more elite school B. But the very negative interaction effect of low grades at elite schools (see Table 11, Model 5) and the generally large negative coefficients for the lower grade ranges in most of our models, are consistent with the mismatch hypothesis, and show that the consequences of ending up at the bottom of the class extend beyond the bar exam.

One's relative class position matters in another way. As Stephen Cole and Elinor Barber (2003) found in their study of the pipeline to academia, strong performance in an academic program has a powerful impact upon self-confidence. This is especially true if the program is closely linked to one's eventual profession. Doing very well in law school plausibly builds confidence and assurance that has helpful effects upon demeanor, judgment and risk-taking as a lawyer. Conversely, doing badly in law school could make one overly tentative and insecure in one's professional judgment. Grades may partly measure personality characteristics, but they may also influence those characteristics in professional school.

The total effects of GPA, in both the AJD regressions and in our long-term analyses using Chicago Lawyers and Michigan alumni data, are bigger than the eliteness/GPA swaps measured above. This, too, makes sense; part of GPA is reflecting relative position in a law school class, and part presumably reflects motivation and other skills and learning that we cannot accurately measure with the available data. In other words, the results from these various analyses add up to an internally consistent picture, even though there is still much more we would like to know.

V. CONCLUSIONS

We set out in this paper to evaluate the comparative role of social eliteness, school eliteness, and law school performance in lawyer careers. A very coherent story has emerged from the data.

There is no reason to doubt that social background once played an important and, in some arenas, decisive role in determining the type and eliteness of the options open to lawyers starting their careers. But our analysis suggests that conventional socioeconomic barriers in legal practice had already significantly eroded by 1975 – the first period for which good cross-sectional data exists – and had largely disappeared by the mid-1990s. Social privilege is still intimately associated with the steps that lead to enrollment in law school, and the eliteness of the school one attends, and other research shows that law schools can, if they wish to, do a lot to lower socioeconomic barriers. (Sander, 2011a, 2011c) But if law students from low-and-moderate SES backgrounds faced systematic career barriers *after* graduation, the consequences would show up in the sorts of analyses we have done. They do not. Various types of social cliques may still thrive in specific practice settings, but these are probably simply idiosyncratic, not endemic to legal practice.

Elite law schools similarly once had almost a sort of oligopolistic control over the paths to the most elite legal practices. This might still be true for a handful of firms, but it is not even remotely the general pattern. Major law firms hire from a wide range of law schools, employing heuristics that weigh law school performance against law school eliteness. The high-achieving graduates from middling schools are enjoying very good long-term outcomes, more than justifying the big firms' new hiring practices; indeed, as the Michigan analysis shows, firms may still not be giving as much weight to grades as they should. Grades are a powerful predictor of earnings and promotion in the short-term, and maintain or increase their strength in the longer-term. In contrast, the added earnings associated with an elite degree are modest, and much of that added value seems to be offset by the lower grades that are the price, for the typical student, of attending a somewhat more elite school. Many of the traditional empirical arguments about the importance of an elite school degree turn out to have little or no analytic content.

Our findings about eliteness, however, must be qualified for the highest tier of schools. At many of these schools, contemporary grades are very compressed at the top of the grading scale (as measured by the AJD, for instance), and at some of them (e.g., Yale and Boalt), grades cannot be reliably converted to a traditional 4.0 scale. Moreover, a disproportionate number of the strongest graduates of very elite schools choose public service

careers that pay less (see the pattern for “top ten” schools in Figure 2). These confounding patterns and imperfect data caution us to be hesitant about drawing strong conclusions about the short-term effects of very good or very weak academic performance at the most elite schools. On the other hand, the long-term dominance of grades over eliteness (as suggested by the Chicago Lawyers and Michigan alumni analyses) does, as far as we can tell, apply with equal force to very elite schools.

Wherever we can measure law school performance with reasonable accuracy, that measure shows up as the most important predictor of career success. Our analysis shows that high or low grades are partly a reflection of one’s relative credential position at the starting gate of law school. While one’s LSAT and UGPA by no means determine one’s grades at a particular school, it does seem to be the case that for a given level of potential achievement, one will predictably realize higher grades if one attends a less competitive school. But grades are quite likely capturing a range of additional personal qualities that our datasets are ill-equipped to measure.

It is important to be clear about what inferences follow from these findings. Attending an elite school is undoubtedly important for certain types of legal careers – becoming a law professor, for example. If one has the objective ability to do extremely well at an elite school, enrolling there and doing well will likely open more opportunities than attending a significantly less elite school. Our findings simply indicate that for most practicing lawyers, the prestige of their law degree did not have a particularly important effect, and students who do perform weakly in law school will pay a heavy price. Thus, students who have poor academic records at the end of their first year should perhaps seriously reconsider their career path. And a law applicant who very much wants to practice in, say, Kansas City, and gets into both the University of Missouri at Kansas City and a school ten places higher in the rankings but a thousand miles away, should not reflexively opt for the more elite school.

Moreover, the nature of our analysis focuses on marginal tradeoffs and applies only to existing patterns in law schools. It would be incorrect to extrapolate our findings across schools many tiers apart from one another.

Our findings suggest that studies of the legal profession should shift from their traditional focus on social stratification mechanisms towards a deeper exploration of the links between law school performance and success as a lawyer. At the very least, future research on the legal profession should include the most accurate possible transcript information from respondents. (Developing good alumni databases for a range of schools, to complement the existing Michigan data, would be a relatively inexpensive but valuable start.) Research into networking on the job should be complemented by research into the quality of lawyers’ work, the forces that shape their reputa-

tions, the origins of their intellectual interest in their work, and what motivates lawyers to excel. Research on legal education should investigate the factors that lead to high grades, and how one's relative position in the law school classroom affects learning, motivation, and other subtle aspects of the emerging persona of professionalism.

The very good news is this: "who you are" has declined in importance as a determinant of legal careers, and "what you do" matters more. What students show they can do in law school – at *all* law schools – is very closely linked to both their short-term and long-term career success. Legal academics are in a good position to better understand why this is so, and to make sure that students really do make the most of their futures.

APPENDIX: DESCRIPTION OF THE DATASETS

Most of the analyses in this article rely on four sources of data: the Chicago Lawyers Survey, the After the JD ("AJD") study, the LSAC Bar Passage Study, and the University of Michigan Alumni Survey data.

The Chicago Lawyers Surveys. These two datasets consist of answers given in lengthy face-to-face interviews with attorneys practicing within the city limits of Chicago, Illinois. Jack Heinz and Edward Laumann created the first dataset through interviews with 777 Chicago lawyers in 1975, resulting in their ground-breaking *Chicago Lawyers* (1982); Heinz and Laumann joined with a broader set of collaborators to create a new sample and administer a very similar survey in 787 face-to-face interviews in 1994-95. The two Chicago Lawyer datasets are both available through ICPSR, and represent a unique resource for studying the legal profession in several ways: the depth and face-to-face character of the interviews; the existence of two similar cross-sections a generation apart; and the availability of detailed information on responses (rather than broad interviewer-imposed codings).⁵⁵ For our purposes, the key drawback of this dataset is the absence of information about college grades or LSAT scores, and the softness of the measure of law school performance (see text accompanying Table 10, *supra*).

The After the JD. The AJD study was begun in 1999 by a group of legal scholars under the direction of the National Association of Law Placement

⁵⁵ The data and complete documentation are available at www.icpsr.umich.edu/icpsrweb/ICPSR/studies/8218 (for the 1975 dataset) and <http://www.icpsr.umich.edu/icpsrweb/ICPSR/studies/4100> (for the 1994-95 dataset).

(“NALP”) and the American Bar Foundation (“ABF”).⁵⁶ The AJD is a longitudinal study tracking a sample of attorneys who entered the bar in 2000. The AJD completed its first wave of data collection in 2003, capturing approximately 4,500 lawyers in the second, third or fourth year of their careers. 3,900 of these attorneys constitute the “national” sample, and a racial oversample comprise the rest. The sample was selected from eighteen Primary Sampling Areas (“PSAs”)—generally either metropolitan areas or states—that include most of the large legal markets in the nation. In the aggregate, the national sample closely matches available data on the national makeup of young attorneys. A second wave of surveys was administered in 2007-2008 and has very recently become available, but we do not make use of it in this study.

University of Michigan Law School Alumni Survey. Our study draws on a database compiled by researchers at the University of Michigan Law School.⁵⁷ In the late 1960s, the school began sending an eight-page survey to alumni approaching the fifteenth anniversary of their graduation, and it has continued the series ever since. In the early 1970s, the school added a survey of fifth-year alumni, and more recently it has added twenty-fifth- and thirty-fifth-year waves. This UMLS Alumni Survey (“UMLS”) includes some background information but largely focuses on the professional lives of participants. Participation rates appear to average around 70%—very respectable by social science standards, though low enough to make possible some sample selection bias. The UMLS survey data is also linked to transcript data from the law school, making it a uniquely powerful tool for examining the evolution of careers and impact of law school performance among a group of alumni from an elite law school.

The Bar Passage Study. The Bar Passage Study (“BPS”) was conducted by the Law School Admission Council in the 1990s.⁵⁸ The study followed some 27,000 law students who matriculated in 1991 through graduation and across as many as five attempts to pass the bar exam. The great strengths of the study are its scope—nearly 95% of eligible law schools participated, along with about two-thirds of the students at those schools—and its linking of undergraduate, law school, and bar data for the entire sample. A general weakness of the study is the lack of identifying information on individual schools and the very limited amount of information they collected on post-graduation outcomes (aside from the bar examination outcomes, that is.) We use data from the Entering Student Questionnaire (“ESQ”) and transcript data on law school performance, which is

⁵⁶ Complete documentation and data request forms are available at <http://www.americanbarfoundation.org/publications/afterthejd.html>.

⁵⁷ A description of the UMLS Alumni Survey can be found in (Dau-Schmidt & Mukhopadhyaya 1999).

⁵⁸ (Wightman, 1998), available at www.law.ucla.edu/sander/Systemic/Data.htm.

available for virtually all participants. (Later follow-up questionnaires were administered on just a subsample of BPS participants, but this study did not require us to rely on the limited follow-up data.)

The 2005-07 Public Law School Admissions Dataset (“PLSA 2005-07”). Of the five datasets described here, this is the only one created by the authors. We developed it by submitting public records requests to public law schools throughout the United States in 2007 and 2008, seeking data on their 2005-06 and 2006-07 admissions cycles.⁵⁹ Follow-up continued through the spring of 2009. For each school, we sought the credentials, race, undergraduate institution, admissions decision, and enrollment decision for every applicant. We sought data for two admissions cycles because we wanted to see whether admissions systems at particular schools vary much from year to year, and because we wanted to achieve reasonable sample sizes for racial groups that only made up a small percentage of all applicants. We ended up with data on over 150,000 applications in some eighty admissions cycles at forty-one American public law schools. The great majority of these schools provided us data for both of the years we requested; some had data for only one year; some had destroyed 2005-06 data and therefore gave us 2007-08 data instead.

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⁵⁹ When we say “2005-06 admission cycle”, we mean the cycle of applications, admissions decisions, and enrollment that culminates at the end of the cycle. Successful applicants in the 2005-06 cycle matriculate in the fall of 2006.

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